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Hostages free on 444th day

52 fly home

COBLENZ, Jan. 20 (AP)—The plane carrying the 52 American hostages to freedom left Tehran Airport Tuesday evening, official Iranian Pars news agency said.

The Carter administration, working feverishly to end the hostage crisis before the new president is inaugurated, said the plane left at exactly 17:33 GMT, Pars said.

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Iran frees hostages as Reagan sworn in



TIMELY PREDICTION: A reprint of a story published Jan. 18 in which Arab News expected the release of American hostages by Iran to coincide with the inauguration of Ronald Reagan as the new president of the United States. The hostages were released simultaneously as the president was sworn in. In order to steal the show inset picture shows Gen. Omar Bradley, America's only living five-star general, saluting the new president at the inaugural gala in Washington D.C. honoring Reagan.

President Jimmy Carter agreed to void his Nov. 14 decision on freezing all Iranian assets in American banks. The U.S. government agreed to lift its economic blockade against the Islamic Republic. All Iranian monetary assets will be placed at the disposal of the state of Iran. American banks shall stop all commercial sanctions against Iran. The American government shall not submit any demands with any court for indemnification in connection with the 52 American citizens in Iran or in connection with "the taking over of the spy center (the American Embassy) in Tehran."

Reagan takes oath of office

WASHINGTON, Jan. 20 (AP)—President Ronald Reagan assured U.S. allies Tuesday that Americans will support them and "match loyalty with loyalty." He warned potential adversaries that while peace is America's highest aspiration, "our reluctance for conflict should not be misjudged as a failure of will."

"When action is required to preserve our national security we will act," the 40th president of the United States declared in his inaugural address. He pledged that the United States "will maintain sufficient strength to prevail if need be, knowing that if we do so we have the best chance of not having to use that strength."

In a speech devoted mainly to domestic affairs, Reagan said that as Americans "renew ourselves in our own land, we will be seen as having greater strength throughout the world. We will again be the exemplar of freedom and a beacon of hope for those who do not now have freedom."

He declared: "To those neighbors and allies who share our ideal of freedom, we will strengthen our historic ties and assure them of our support and firm commitment. We will match loyalty with loyalty. We will strive for mutually beneficial relations. We will not use our friendship to impose on their sovereignty, for our own sovereignty is not for sale."

"To the enemies of freedom, to those who are potential adversaries, they will be reminded that peace is the highest aspiration of the American people. We will negotiate for it, sacrifice for it, we will not surrender for it — now or ever."

The president did not mention any other nation by name in his speech. Reagan said that no weapon in the arsenals of the world "is so formidable as the will and moral courage of free men and women..." He said this is a weapon Americans have and their adversaries do not. "Let that be understood by those who practice terrorism and prey upon their neighbors," he declared.

He had spent the night waiting to make the calls and said to the newspaper offices he contacted: "Alert as many as your colleagues as you can get to the foreign ministry for the signing."

Nearly 200 foreign journalists and photographers, who have gathered in this wind-swept capital, began receiving word of the impending signing within the following minutes. They raced out of hotels in search of taxis and fought with the dense morning traffic in their race to make it to the gleaming

Conference continues Controversy persists over Iran attendance

TAIF, Jan. 20 (AFP)—Despite a denial by the Iranian deputy premier, authoritative sources here Tuesday maintained that Iran would send a delegation to the preparatory meeting of the Islamic summit conference already underway in this summer resort city.

The sources said they had received notification that the Iranian delegation might be on its way here.

Habib Chatti, secretary-general of the organization of the Islamic Conference said he expected the Iranian delegation here Tuesday.

Chatti said he received a telephone call Monday night confirming that a five-man Iranian delegation headed by Iran's ambassador to Kuwait, Ali Shams Ardakani, who attended the last U.N. General Assembly, would probably arrive here sometime Tuesday.

In Kuwait Ambassador Ali Shams was quoted as saying Tuesday "I have received instructions to be ready to go to Taif to take part in the Islamic foreign ministers conference currently meeting there, but I'm still awaiting further instructions to leave," Ardakani was quoted as saying by the Kuwait News Agency.

Asked whether this means Iran will take part in the summit, Ardakani replied "I suppose so."

Tuesday morning, Iranian Deputy Premier Hashemi Rafsanjani once again denied that his country would take part in either the preparatory conference or the summit if Iraqi President Saddam Hussein participated.

Rafsanjani told Agence France-Press that though a delegation including Ardakani had been prepared, it was called off after Saddam Hussein confirmed Monday that he would attend the conference.

Conferees officials, who maintained hopes of initiating peace negotiations between Iran and Iraq during the summit, said any progress would be unlikely if one of the two belligerents stayed away. Both Prince Saud and Chatti have urged Iran to attend since the conference opened Saturday.

Authoritative sources here were still uncertain whether the Iranian delegation said to be on its way to the preparatory talks would stay for the summit.

Meanwhile, Iraqi Foreign Minister Saadoun Hammadi, Tuesday denied reports that Iraq had set conditions for its participation in the conference if Iran should attend.

Even if Tehran sends a delegation, Iraq will not oppose discussion of any problem, including the Iran-Iraq conflict, he said.

Carter okays supplies pact with Kingdom

WASHINGTON, Jan. 20 (AP)—In one of its final acts, the Carter administration's Defense Department notified Congress Monday of offers to sell Saudi Arabia more than \$2 billion in construction, technical and other services and spare parts and supplies to help develop the Saudi Arabian navy and air force.

Congress has 30 days to act if it chose to reject the proposed sales. If Congress does not act, the sales go through automatically after that time.

The proposed new sales do not include accessory equipment, requested by Saudi Arabia to the F-15 fighter planes, a decision on whether to supply such equipment to Saudi Arabia has been left over by the Carter administration for the incoming Reagan administration.

The department further announced a \$37 million sale of military tracked vehicles to Egypt and a \$15 million sale of 35 standard missiles to Italy.

Negotiators end with bleary eyes

ALGIERS, Jan. 20 (AP)—When it happened, it happened fast and in an unadorned room with only about two dozen journalists present and the bleary-eyed negotiators who had worked out the long-awaited end to the hostage crisis.

U.S. Deputy Secretary of State Warren Christopher, who had remained stone-faced and silent through the sensitive 11th hour negotiations in this Islamic north African capital, summed up the moment in five words: "At last I can smile." Words of the announced first came at 7:30 a.m. (0730 GMT) from a spokesman of the Algerian Ministry of Information.

He had spent the night waiting to make the calls and said to the newspaper offices he contacted: "Alert as many as your colleagues as you can get to the foreign ministry for the signing."

Nearly 200 foreign journalists and photographers, who have gathered in this wind-swept capital, began receiving word of the impending signing within the following minutes. They raced out of hotels in search of taxis and fought with the dense morning traffic in their race to make it to the gleaming

McHenry interviewed

American's ambassador to the United Nations, Donald McHenry, has granted his first interview while still in office to Arab News. In the interview, McHenry discusses his views on how to solve the Middle East conflict, among other issues. The interview was conducted at U.N. headquarters in New York by Fouzi Al-Asmar. McHenry was due to leave office Jan. 20 when the Reagan administration takes power. (See back page)

At summit talks

Poorer countries seek aid

TAIF, Jan. 20 — Less developed Muslim countries in Africa, Asia, are hoping next week's third Islamic summit will lead to substantial economic assistance.

"Our needs are far greater than those of the Arabs," said Bangladesh's foreign minister, Prof. Muhammad Shamsul Huq. An additional \$5 billion development assistance was promised for the poorer Arab countries at the Amman Arab summit last November.

But Huq, whose country is behind several development initiatives at the summit, stresses that such assistance would fall within a global Islamic approach.

"I am of the view that political and economic security are indivisible," he said. "Islamic countries together have abundant human and natural resources."

He spoke of an emerging new trend of thought among Islamic countries stressing the search for collective security and negotiations for countries to assist each other. Bangladesh, he said, could develop considerable potential supplies of food grain, natural gas

and possibly coal.

The minister added that his country need assistance for long term development and immediate relief to overcome balance of payments problems.

Huq said he hoped that countries like his would be able to accelerate pace of development in search for Islamic economic self-sufficiency if next week's summit firmly underlined mutual assistance policies.

Foreign ministers in Taif have accepted several items for the summit agenda which directly affect the poorer members. The heads of state will discuss the problems of the poverty struck Sahel countries on the southern fringes of the Sahara Desert. Bangladesh has offered a proposal on special assistance for the countries which would accord them priority in Islamic development assistance. A Bangladeshi paper on developing an Islamic common market has been referred to expert economic committees as has a proposal to form a standing committee of foreign ministers to coordinate development efforts. The Islamic Development Bank may be given more funds.

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Nominees under review

King Faisal awards to be offered

By a Staff Writer

RIYADH, Jan. 20 — The selection committee of the King Faisal Philanthropic Foundation began a series of meetings Monday to decide the winners of its three prizes. The results will be announced at a press conference Wednesday by Prince Khaled Al Faisal, secretary general of the society who is also governor of Asir region. The meeting was chaired by Prince Abdullah Al Faisal,

eldest son of the late King.

Awards will be given for services to Islam, worth SR 300,000, a gold medal and a citation Islamic studies and Arabic literature which are worth SR 250,000 each with gold medals and citations. Next year a fourth prize for science and medicine also will be awarded.

The society was formed in 1976 by the sons of King Faisal to commemorate his services to Islam and to encourage scholarly Islamic

studies and excellence in Arabic literature. The prizes carry the largest cash awards for any religious and literary work in the Islamic world.

Society sources said the fourth prize will be awarded in recognition of scientific or medical achievement by Muslim experts in order to encourage research and inventiveness amongst them. Additional prizes for achievements in other fields of human endeavor are likely to be awarded in due course.

In addition to the princes, the board of directors includes other prominent men and the selection committee is made up of well known names in their respective areas of scholarship. Authors and writers who believe they deserve the prizes are invited early in the year to send in specimens of their work and institutions are encouraged to propose names and works for selection.

At a meeting earlier last year the society approved a budget of SR 321 million for 1981. It carried out projects amounting to SR 234 million. In addition to the awards it extended assistance to Islamic charities, educational programs and invested in solar energy research in the United States. Last year's investments include SR 40 million in long-term projects with a cultural center that has a mosque, a library, archives, a research center and museum about the life of King Faisal who ruled the country from 1964 to 1975. It invested SR 156 million in real estate, SR 59 million in agriculture and animal husbandry, SR 45 million in industrial projects and SR 6 million in special departmental expenses. The largest projects were the center and the Khozam Hotel which it owns in Riyadh.



SELECTION: Prince Abdullah Al Faisal (center) chairs a meeting of the selection committee of King Faisal Welfare Society.

In Jeddah hospital

Doctor performs open chest surgery

JEDDAH, Jan. 20 (CNA) — The Sino-Saudi jointly run Jeddah General Hospital has made its mark in the medical circle here with the beginning of open-chest surgery services.

The first case of open-chest surgery was recently performed by a Chinese surgeon, Dr. Chiu Inghs, who was sent here by National Taiwan University Hospital of the Republic of China.

The patient, Saad Benali Saied, was refer-

red to the hospital by the Health High Committee in the Western Region from a hospital in Mecca where he had been treated for three weeks after a car accident. Dr. Chiu said he decided to perform open-chest surgery on Saied after a palm-size shadow was detected by X-ray on his right hemi-diaphragm.

As it turned out, he said, the patient had a diaphragmatic fracture with liver herniation. He said it was a rare case, adding that wounds usually occurred in the left hemi-diaphragm

since the right one is protected by the liver which can serve as a cushion.

The operation was completed smoothly, and Saied was discharged from the hospital after a week-long recuperation. The patient was full of appreciation for the expertise of the Chinese doctor.

The Jeddah Hospital is the second public hospital in the Kingdom being jointly run by Chinese and Saudi medical personnel. The first one is in Hofuf. The two hospitals have some 800 Chinese doctors, nurses and technicians altogether.

BRIEFS

Roads completed

MEDINA, Jan. 20 — The Ministry of Communications has completed 1,370 kilometers of asphalted roads in Medina Region in addition to 11 projects for the beautification of the holy city. Ministry sources said that during the same period nearly 5,000 kilometers of rural roads, unpaved hut motorable, have been completed.

Girls' school project

QASIM, Jan. 20 — Fourteen projects to build girls' schools have been awarded here at SR17 million. Other projects will be put out for tender soon at a cost of SR32 million according to Abdullah Al Muhaimed, director of girls' education in the region.

SR120 drainage scheme

MEDINA, Jan. 20 — Fifteen international contracting companies will be invited to carry out the second phase of the large drainage scheme of the city according to Sheikh Saad Nasser Al Sudairy, deputy governor and director for the water and drainage department. He said that SR120 million has been allocated for the project.

Billboards pulled down

JEDDAH, Jan. 20 — Carrying out its previous warnings the municipality has pulled down 2,000 billboards which were cluttering the pavements and median strips. At the same time it towed away 2,000 junk cars from the city to the outskirts, and incinerated 5,000 heads of sheep which had been slaughtered outside the municipal abattoir.

Jeddah cleanup planned

JEDDAH, Jan. 20 — Another "Keep Jeddah Tidy" campaign will be launched by the municipality in two months according to municipal sources. Schools and companies will participate in it, they said. Last week the Mayor, Muhammad Said Farsi said that the cleaning of the city will be awarded as a contract to a company.

Hospital contracts awarded

ABHA, Jan. 20 — The Health Ministry has awarded contracts for the construction of six hospitals in the Asir Region. One of them will have 500 beds, and the others will range from 100 to 200 beds. The main central hospital of Jizan will be opened soon.

Welfare society plans SR325m health complex

DAMMAM, Jan. 20 (SPA) — The Board of the Eastern Province Philanthropic Society discussed issues relating to projects totaling SR340 million.

The board members met Monday under Eastern Province Governor Prince Abdul Mohsen bin Jiluwi, the society's chairman. The society's secretary general, Mastour ibn Ali, said board members reviewed the society's programs and services, and accomplishments in a mosque project carried out by the society. The mosque is located in Dammam's zone 78.

Ali added that the board discussed the first construction phase of the society's new headquarters and a kindergarten. The project will cost SR15 million, he said. The board also discussed the issue of a proposed health complex to be built by the society at an estimated cost of SR325 million, Ali said.

Meanwhile, the society announced Tuesday that it has received additional donations and regular subscriptions that totaled SR485,000. Among the donors was the Dallah Establishment which gave SR210,000 as a subscription amount for the last four months.

Comment

By Abdullah Omar Khayyat
Al Jazirah

Upon the directive of Interior Minister Prince Naif, a committee has been formed at the Ministry of Commerce to probe phony establishments sending in requests for the import of expatriate labor. In its recommendations, the committee upheld the citizen's right to commercial business, provided that he obtains a commercial registration.

The committee reaffirmed that registration would be confined to those who actually engage in business after fulfilling all conditions. In this way, the committee has closed the door upon all imaginary establishments which only misuse their commercial registrations. Since this phenomenon is mostly prevalent in contracting business, it would necessitate finding urgent solution.

Anyone indulging in such an activity, even though on the pretext of ignorance, cannot exempt himself from deterrent sanctions. It would be imprudent for anyone to try to benefit from something of which he has no advance knowledge. It is known that fictitious establishments import unnecessary labor only to benefit from them by permitting them to work anywhere they like.

However, the existence of such establishments ought not to become a factor in complicating procedures for genuine contracting and trading establishments, duly approved by the ministry and given financial assistance for the execution of their projects.

While it is necessary for us to spare no violator of rules and regulations, it is also incumbent on us to help sincere people in the realization of their constructive aims.

In Gulf education efforts

Salman stresses cooperation

RIYADH, Jan. 20 (SPA) — Riyadh Governor Prince Salman said the Kingdom would not save any effort or hesitate in working to achieve cooperation, integration and coordination among Gulf states, develop the region's personality and boost its cultural and traditional values.

Prince Salman made the statement as he received delegates to the Gulf Educational Bureau's Executive Board meetings Tuesday. The prince emphasized the importance of Gulf officials at any levels, particularly in educational, cultural and scientific fields. The delegates also thanked Prince Salman for his attention and perseverance of the bureau's projects and programs.

The audience was attended by Dr. Muhammad Al-Ahmad Al-Rasheed, director general of the Gulf educational bureau, members of the executive board from the member countries.

The board resumed its meeting that began Sunday and discussed the bureau's programs and projects for the coming two years, 1982 and 1983. The board considered a proposal presented by the director general about establishing a higher board for comprehensive development in Gulf states, and programs for training teachers in the region and abroad.

The board completed discussions of some issues which include non-schooling education; contributing to the spreading of Arab and Islamic culture in Morocco through coordination and exchange of information; planning visits among Gulf states; and organizing sports tournaments for schools at the regional level.

In another development, the Qasim Girls' Education Directorate awarded 14 contracts for building schools in the region to national companies. The total cost of the contracts amounts to SR17.6 million, according to Abdullah Al-Muhaimed the girls' education director in Qasim.

The contracts call for building simple schools in Asiah, Houta, Bukairiya, Buraidah, Rass, Muznah, Badae, Ammar and Riyadh Al-Khabra. Muhaimed said that a committee has been formed to hand over the work sites to executing companies. He added that the directorate is planning a major project for girls that will cost about SR32 million. National companies have been invited to bid, he said.

Seminar features future industry

RIYADH, Jan. 20 — The Saudi Basic Industries Corporation (SABIC) will organize a seminar next month on petrochemical and support industries in the country. Members of the board, businessmen and industrialists will take part, company sources said. Members of the public have been invited to attend.

The seminar will deal at length with the subsidiary industries which will be needed by the main projects and the industries which may be set up on the basis of the raw materials that the petrochemical plants will produce.

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Summit success expected

Jajed welcomes leaders

JEDDAH, Jan. 20 (SPA) — Islamic foreign ministers and foreign ministry officials expressed optimism that the third Islamic Summit will succeed and that the Muslim community will overcome its current difficulties and move ahead to a stage of self-building Tuesday, the third day of the Islamic foreign ministers' conference.

Among the statements of Saudi Arabian officials was that of Mecca Governor Prince Sultan bin Abdul Aziz, who welcomed the Islamic summit to the holy city on behalf of the Saudi people. He said it was a great development and that the Islamic leaders would meet in the holy city and promise God that they would be united and one heart in serving Muslims everywhere.

The residents of Mecca are honored to host the conference and will honor everyone who attends it, he added.

Deputy Mecca Governor Prince Saud bin Abdul Mohsen also welcomed the Muslim leaders and said that holding the conference in Mecca will make it the center of attention of the Muslim world. He said Muslims are being civilized today in their very existence. They are threatening the Muslim community by military invasion as it happens in Afghanistan and is happening in Jerusalem, he said.

Meanwhile, Finance and National Economy Minister Sheikh Muhammad Aba Chail said the creation of an Islamic market would have a great role in building and developing trade cooperation between Islamic countries. The joint Islamic economic strategy is one of the major items to be discussed by the summit.

Greater facilities are provided and the conditions bettered for the exchange of goods, the Islamic common market would be created and promote the creation of permanent and prosperous economic cooperation, said Aba Al-Kahlil.

Pakistani Foreign Minister Agha Shahi said that if the Islamic community reinforces its solidarity and unity and makes better use of its resources and potentials, it would be the third political power in the world.

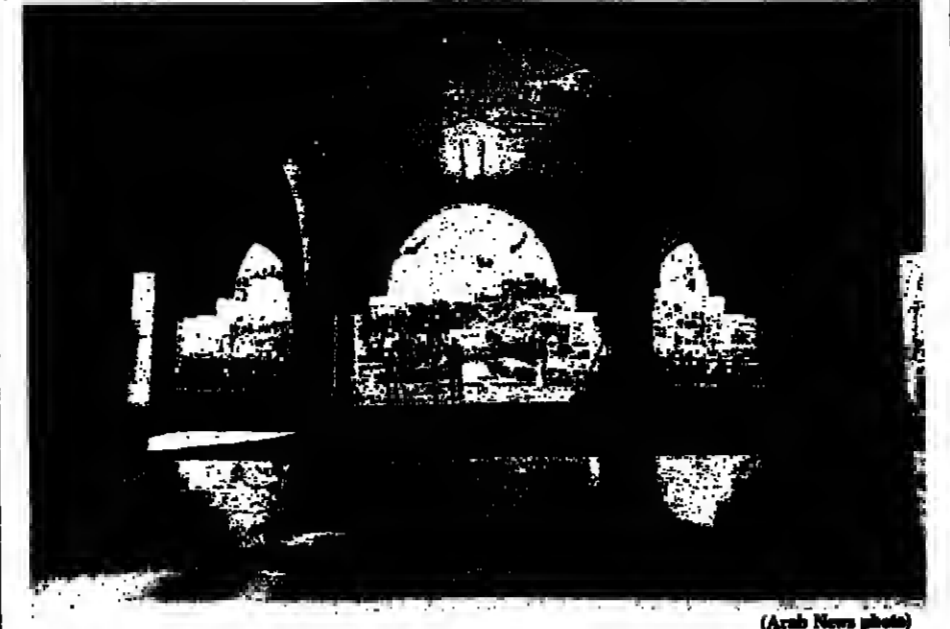
Kuwaiti State Minister for Cabinet Affairs Abdul Aziz Hussein announced that the Islamic summit will try to find a solution for the Iraqi-Iranian conflict, though Iran would boycott the meeting because the dispute has reached a very dangerous stage. One of the indications about the success of the attempt is Iranian President Abul Hassan Bani Sadr's declaration that his country will reconsider its decision to boycott the conference.

PLO's delegation head, Farouq Qaddoumi, denied that a committee has been formed to travel to Tehran in an attempt to persuade Iran to attend the conference. However, Qaddoumi said he expected that the Iranian delegation in the conference would arrive at any time now to participate in the summit.

In addition, a leading Muslim scholar called on member states of the Organization of the Islamic Conference to adopt the sharia law in all their affairs as pointed out in the holy Quran.

Sheikh Abdul Aziz ibn Baz, chairman of the constituent assembly of the World Muslim League and Chairman of scholarly research, religious ruling and dawa, appealed to the conference to form an international Islamic organization to look after Muslims speak on their behalf and defend them against others.

He said Muslims must give full support to the Afghan people who are fighting against "the most blasphemous and most savage state" and called on the states to pledge to protect against any harm that is done to Muslim minorities anywhere. Ibn Baz said the Mecca summit was a great and blessed occasion and an opportunity for the leaders to return to the right path of God.



ENTRANCE: The luxurious entrance to the conference hall in Taif where leaders of Islamic countries are to meet Jan. 26, and where the Islamic foreign ministers' conference is held now.

At summit hall

Officials inspect media center

TAIF, Jan. 20 (SPA) — Information Minister Dr. Muhammad Abdo Yamani escorted Dr. Muhammad Al-Milhim, state minister and member of the cabinet, and Sheikh Omar Abdul Kader Faqih, chairman of the public control bureau, on a tour of the media center in Taif Monday.

The officials inspected the various departments of the center during its operation in converting the foreign ministers conference. They also witnessed the preparations undertaken for the activities of the Islamic Summit conference that will open next week.

Meanwhile, Dr. Abdo Yamani announced that the Islamic media issue included in the joint Islamic action strategy being discussed

by the foreign ministers' conference calls for the necessity of following international developments and mobilizing all resources to serve the Islamic cause. The media paper highlights precautions to avoid falling in the traps of international news agencies who try to publish cheap fabrication to deface joint Islamic action.

The information minister said in an interview with Qatari television Monday that media in Islamic countries should try to calm down differences and abide by the Islamic Sharia. They should comply with the principles of the true Islamic media and be moderate and balanced if any problem between two Islamic countries arises.

At Jeddah Expo Center

Electricity exhibition planned

JEDDAH, Jan. 20 — Jeddah is increasingly becoming the business exhibition center for the Middle East. Several regional exhibitions were held here in the past couple months, and now the Red-Sea port city and business center will host the first Middle East Electricity Exhibition from Feb. 28 to March 5.

The exhibition, in which about 300 leading international electrical industry companies will take part, will comprise a comprehensive range of equipment, from large gas turbines to domestic electric appliances. The show will be held at the Jeddah Expo Center.

The exhibition is organized by Faris and Exhibitions of London and Al-Harithiyah of Jeddah. The Ministry of Industry and Electricity has reserved a stand at the expo center to demonstrate its achievements and outline its future requirements.

The participating companies will present electrical products and services that cover every aspect of generation, transmission and utilization of electrical power, according to the organizers.

In a related event, the Council of British Manufacturers of Petroleum Equipment announced it will send a trade mission to Saudi Arabia from Feb. 6 through 18. The mission includes 12 companies involved in the design, construction and supply of plant and equipment for oil and gas exploration, production and distribution.

Leading the mission will be Stanley Wilce, managing director of engineering firm, Adamson and Hatchett, who believes that Britain equals — any country in the field of petroleum technology and equipment. Mission secretary will be CBMPE deputy director, Richard Lack, who said, "the aim of the mission is to obtain information about projects of interest to our members. The mission itself as a very representative body of petroleum equipment manufacturers and it will give them a chance to make business and personal contacts and launch themselves into the Saudi Arabian market."

During their 12-day stay, company representatives will visit Riyadh, Jeddah and Dabran, will talk to executives from Petro-min and Aramco oil companies, will meet contractors, government ministers and officials and business associations and tour refineries in Riyadh and Jeddah.

The present level of oil activity in Saudi Arabia means that the Kingdom offers vast potential to the 380 CBMPE members, Lack said. "The last official visit was in 1967, but in 1980 the situation has changed in that the UK has become an oil-producing country."

The 12 companies participating in the mission include manufacturers of storage tanks; electrical equipment for use in flammable atmospheres; process valves; precision engineering components for the process marine and utility industries; and industrial and marine gas turbines.

Prayer Times						
Wednesday	Mecca	Medina	Riyadh	Dammam	Buraidah	Tabuk
Fajr	5.36	5.42	5.14	5.03	5.28	6.01
Israq	7.01	7.07	6.39	6.28	6.53	7.26
Dhuhr	12.32	12.33	12.04	11.54	12.51	12.45
Assr	3.41	3.38	3.09	2.53	3.18	3.44
Maghrib	6.04	6.00	5.31	5.15	5.39	6.05
Isha	7.34	7.30	7.00	6.45	7.09	7.35

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U.N. envoy attends OAU talks on Chad

UNITED NATIONS, Jan. 20 (Agencies) — U.N. Secretary-General Kurt Waldheim has sent his aide, Abdulrahman Abby Farah, to Freetown to attend the Organization of African Unity talks on Chad which began Tuesday, a U.N. spokesman said here. President Siaka Stevens of Sierra Leone, chairman of the OAU, had invited Waldheim to attend the talks.

The spokesman said Monday Waldheim is not able to attend as he is busy with efforts to end the Iran-Iraq war and his forthcoming

Three UNIFIL troops killed

BEIRUT, Jan. 20 (AP) — Three Senegalese soldiers of the U.N. Interim Force in Lebanon (UNIFIL) were killed near the southern Lebanese village of Barish Sunday night, a U.N. spokesman in Beirut reported Monday. "Initial investigation suggested an execution-type killing," said a statement issued by U.N. spokesman Samir Sunbar.

"The three victims were killed with a nine-millimeter weapon fired from a very close range," according to the statement. "Detailed investigation is underway." Barish is about 17 kms east of southern Lebanon's port city of Tyre. The identity of the killers could not yet be established, according to the statement.

The killings pushed to 54 the total death toll that UNIFIL has suffered since the 6,000-strong force from nine nations was dispatched in 1978 to serve as buffer between Palestinian commandos and the Israeli border.

In Copenhagen

El Al manager beaten up

COPENHAGEN, Jan. 20 (AP) — The head of the Israeli airline El Al's office here was hospitalized early Tuesday after an attack by an unknown person or persons who smeared the wall of his office with swastikas, police reported.

Zvi Kedan, 36-year-old El Al district manager, alerted police via a special emergency alarm system at 1:25 a.m. But when patrolmen reached the office in downtown Copenhagen, they found all doors locked. The injured Kedan, however, managed to let the officers in by an intercom electric door lock, but was so badly beaten he had to be rushed to Copenhagen municipal hospital by ambulance. Police Commissioner Joergo Frederiksen said.

Judging from starved blood on Kedan's face, he had been beaten up several hours before he managed to alert police, Frederiksen said. The commissioner had no clue to

visit to Saudi Arabia to attend the Islamic summit. Waldheim has, therefore sent his aide to Freetown Sunday.

Stevens had proposed a relief operation for Chad, "with the assistance of the U.N." Libya recently announced a merger with Chad.

The Freetown meeting follows an OAU conference in Lome, Togo, last week at which 12 African countries demanded that Libyan leader Muammar Qaddafi withdraw his troops from Chad and cancel his plans for a merger with the former French colony. At the same time, it was agreed to send a four-nation OAU peace mission to Chad.

Qaddafi dismissed the Lome Resolution as "nothing more than a piece of paper" and said his "technicians" would remain in Chad until France pulled its troops out of the neighboring Central African Republic. France opposes the Chad-Libyan merger.

Meanwhile, in Cairo informed sources said Monday Sudan had moved troops to its frontiers with Chad and Libya. But the sources discounted press reports of a large-scale deployment, despite Sudanese fears that the Libyans may try to infiltrate western Sudan.

In another development, President Shehu Shagari of Nigeria arrived in Cameroon Monday for talks with President Ahmadou Ahidjo, which are expected to concentrate on the proposed merger between Libya and Chad. Nigeria and Cameroon both hinder Chad and are strongly opposed to the merger.

Cameroon has been more directly affected by the turmoil in Chad than any other country as about 200,000 Chad refugees live in Kousseri, northern Cameroon.

what happened at a late hour in the office which closed at 5 p.m. Monday. No signs of a break — in were immediately detected, and Kedan was too confused to give a reasonably coherent explanation of who attacked him or why, Frederiksen said.

The police commissioner said the latest report from the hospital was that Kedan's injuries were not grave.

The El Al office was closed Tuesday morning as detectives examined the premises for clues to the attack on the district manager who took up his post here about three years ago. Telephone calls were referred to the Israeli embassy, but Counselor Waldan said the embassy did not expect to have additional information until Kedan recovers enough to give an account of what happened.

The El Al office is considered "sensitive" by Danish police as a potential target for anti-Zionist attempts.



IN KUWAIT: Pakistani President Zia ul-Haq (left) meets the Ruler of Kuwait, Sheikh Jaber Al Ahmad Al Sabah during a two-day visit to Kuwait last week as part of a tour of the Gulf States and Turkey in search of an Islamic peace initiative to end the Iran-Iraq war.

Egyptian MPs visiting Israel

TEL AVIV, Jan. 20 (AP) — A 10-man delegation of Egyptian parliamentarians visited Israel's Knesset Tuesday. The delegation arrived Monday from Cairo on a seven-day visit as guests of the Knesset. The visitors were met at the Knesset by the Speaker Yitzhak Berlan.

Muhammad Ahmad Abdullah, leader of the parliamentarians and chairman of the Egyptian parliament's foreign relations committee said on arrival Monday night, that the visit expressed "the desire of the Egyptian people to help pave the way to peace," and added later that it "was a very clear indication that the normalization of relations

between the two countries was going very well.

The group was to meet with President Yitzhak Navon, Prime Minister Menachem Begin, and Knesset members from all parties. Most of their meetings were to be held in Jerusalem, but the delegation and the journalists accompanying them, are staying in hotels in Tel Aviv so as not to imply recognition of Jerusalem as Israel's capital.

Ironically, the delegation, arrived at the Knesset just in time to watch it begin proceedings to dissolve itself and set new elections.

Innocent Iranian files countersuit

DENVER, Jan. 20 (AP) — An Iranian student who was found innocent in the slaying of a Denver teenager and the wounding of two others has filed a countersuit seeking \$2 million from one of the wounded youths.

The suit, filed in Denver district court Monday by 21-year-old Afshin Shariati against Michael Lopez, contends the 17-year-old and two others placed Shariati in "fear (and) threat of death" by breaking his window. The incident occurred Nov. 11 1979, when anti-Iranian feeling was running high following the takeover of the U.S. Embassy in Tehran the week before.

Duriog Sbariati's two-week trial on charges of second-degree murder and assault, Lopez testified that he, Steve Roane

and Paul Mortizky, 15, set out with some friends after a Saturday night high school football party to find some Iranians "to hassle."

Lopez described how the group found Shariati's car on a mailbox, stood on a balcony in front of his third-floor apartment and counted to three, then smashed the window.

Shariati, witnesses said, ran out onto his balcony and fired twice with a high-powered deer rifle — killing Mortizky and wounding Roane and Lopez. Shariati was found innocent after arguing that he was shooting not at individuals, but at what he thought was a getaway car.

Israel 'can use Negev bases soon'

TEL AVIV, Jan. 20 (AFP) — The Israeli Air Force will be able to move this summer into two bases the United States is building in the Negev desert, U.S. Defense Programing Director-General Paul Hartling told the Israeli press Tuesday.

The two bases, built under the Camp David peace agreement Israel signed with Egypt,

are due to be operational by April 1982. At this date, Israel will evacuate its three Negev bases at Eitam, Etzion and Ophira.

Hartling, currently on a visit to Israel, said that the two new bases at Oufda and Rimoo would be virtually operational for Israeli forces by the end of this year.

After disturbances

Numeiri asks governor to quit

KHARTOUM, Jan. 20 (R) — Sudanese President Jaafar Numeiri has asked the newly-appointed governor of Darfour province to resign following demonstrations in the provincial capital against his appointment, according to the Sudan News Agency, (SUNA). Numeiri Monday gave the instruction under pressure from the members of parliament for Darfour, in the west of the country close to the Chad border, SUNA said.

Informed Western sources said between 10 and 20 persons died in disturbances earlier this month when about 3,000 persons staged a demonstration in the provincial capital El Fasher demanding the removal of El-Tayyeh El-Mardi, who is not a native of the area.

El-Mardi was appointed in December under a new system of regional government designed to unite Sudan, SUNA said.

Sadat praises Alexander Haig

PARIS, Jan. 20 (R) — Egyptian President Anwar Sadat warmly praised incoming U.S. Secretary of State Alexander Haig in a television interview broadcast Monday night. "I have great hopes because of the appointment of Gen. Haig. I know the man. He has a strategic mind, and we need a strategic mind to follow what is happening in the world," Sadat told French television.

U.S. administration to improve relations with the Arab countries might be at Egypt's expense, Sadat replied: "Not at all. I welcome any arrangements between the United States, Western Europe and my colleagues in the Gulf. I don't want to see the moment when the flow of oil from the Gulf stops. This will mean a collapse of Western civilizations and collapse for us, as well."

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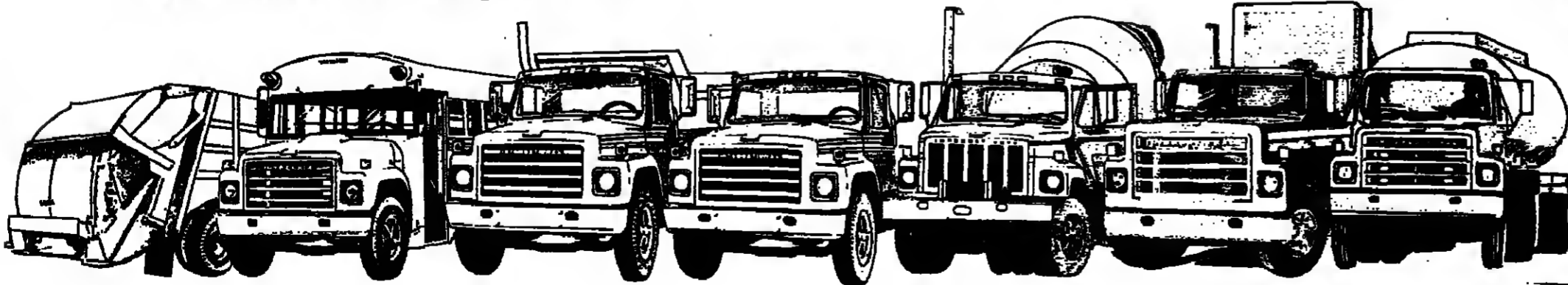
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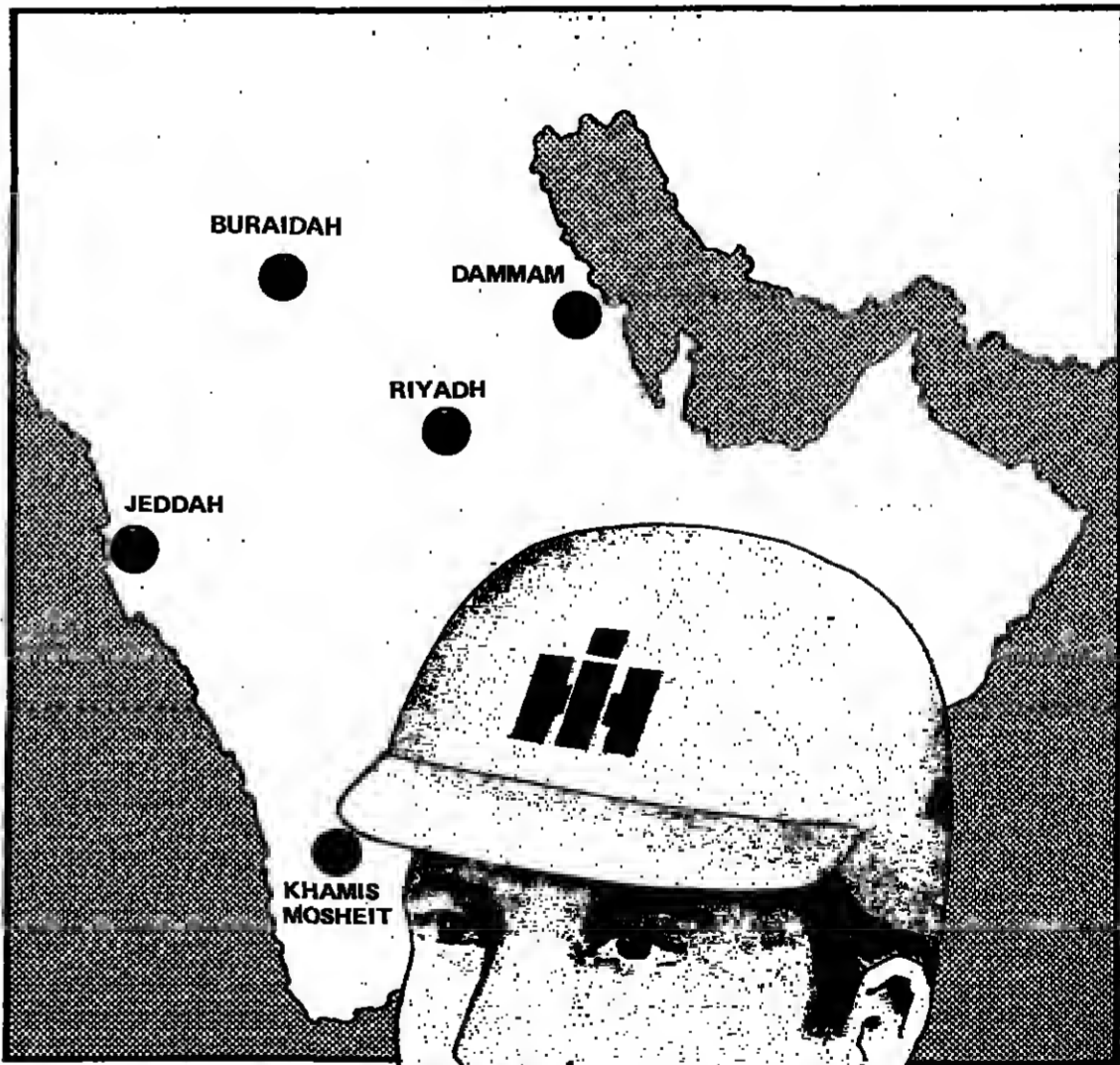
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Twentieth century's calamity

Hunger, malnutrition make a home in Asia

By Maria G. Berck

INDIA — Ahmed Gul may have been born recently, but no one can be sure. His parents are illiterate and cannot keep records. Nor are there records of his birth, other than his mother's recollection that it happened at home in Khampur.

Ahmed lives in shadow of the Tarbela, the world's largest earth-filled dam and a symbol of progress for his country. But his story is one of many in the United Nations Children's Fund, which is hardly touched by the big project. Ahmed's father, Sikander, lives far away in a village, working as a domestic servant and a home part of his meager earnings. Ahmed's mother works as a field hand for the last four years Ahmed has been burdened, collecting water from a well — and also wandering around the village looking for odd jobs to bring in a few rupees.

Even when Ahmed was a provider, he quit school when he was 8, joining his father in a quarter of a billion children, in poor countries, who receive no education. The three years of school he did get were not enough for him to be literate. He was just beginning to learn when Ahmed is about 18, he is likely to go to some city and take a low-paying job. He is fortunate enough to get one.

Ahmed counts himself lucky already because he has survived infancy in the Third World without any major disability. Unlike millions of other children, he does not suffer from brain damage, chronic lung sickness, deafness, blindness or any of the common infectious diseases preventable by immunization that kill 5 million children each year. Nor has he suffered from Kwashiorkor, severe malnutrition that African mothers call "the sickness the first baby gets when the second baby comes along." Ahmed has also escaped the perils of unclean water, which breeds diseases that kill up to 60 per cent of the children under 5 in some cities of Latin America.

Findings contained in a "state of the world's children" report issued by UNICEF indicate the magnitude of the battle for survival being fought by children of impoverished families in poor countries. The U.N. designated 1979 as the "International Year of the Child" and estimated that 122 million children were born that year. Now, according to the UNICEF report, one in every 10 of those children is dead. Most came from the "absolute poor" families; three out of 10 of whose children are likely to die before the age of 5. Given present conditions; not even one in 10 will ever be seen by a health worker or be immunized against common killer diseases of childhood. Probably only half will ever learn to read and write. More than 300 million children are among the 780 million people — out of a total world population of 4.4 billion — living out their lives in such absolute pov-

erty. In the poorest nations — they are concentrated in South Asia and sub-Saharan Africa — four-fifths of income goes for food. Water supply is neither dependable nor safe. Average life expectancy remains below 50 years, and infant mortality is more than 150 deaths for every 1,000 live births.

UNICEF holds that boosting economic growth in the poorest countries is essential. But it says significant benefits can be attained even where incomes remain very low. As evidence, the report cites China, Sri Lanka and the Indian state of Kerala, all of which have achieved dramatic reductions in infant mortality and steep increases in life expectancy and literacy. Per-capita income in these regions is less than \$300, the amount the world's poorest nations can expect only by the end of the century.

Drawing on examples in these and other countries, the report says community health workers, often called "barefoot doctors," can treat four-fifths of all ailments in children at very low cost, if the workers are linked to national health services and not written off as providers of second-class service for the poor.

One way community health workers can play a crucial role in improving infant health, according to the report, is by advertising the wisdom of breast-feeding babies. "In part, the campaign for breast-feeding must also be a campaign to regulate those who promote and sell, commercial infant formula to mothers who do not need it, cannot afford it and are unable to safely use it," the report says.

As many as 450 million people do not have enough to eat, despite what is cited as a plentiful global food supply. "The major lesson of the last 20 years," the report asserts, "is that reductions in malnutrition cannot be achieved only by increases in food production."

Global and regional surveys indicate that enough grain has been grown and marketed in recent years to feed an extra billion people. Nor is the earth's capacity to meet the needs of its future population in serious doubt. One study suggests that the earth can sustain the



Most of Asian and African children suffer from malnutrition and they lead a miserable life. Photos show undernourished African children.



Malaria, a dreadful disease, is a common sight among the poverty-stricken families in India. Photo shows an India farmer with his malaria-ridden child.

production of more than 32 billion tons of grain a year, almost 25 times the present level.

Although "the world is already producing enough food each year to give everyone an adequate diet and can continue to do so despite the anticipated population growth of the next 20 years," the report says, "distribution is the mechanism which seems to have failed."

People go hungry because they do not have the land and the means to grow food or the money to buy it, the report says. "The fact that malnutrition could be solved by switching only 2 per cent of global grain production — much less than is fed to cattle in the northern hemisphere — to those most in need, demonstrates that the problem is not one of two many mouths to feed and too little food being grown."

Kerala and Sri Lanka again are given as examples of low-income regions meeting the nutritional needs of the poor by boosting production and distribution. In both, this has

meant focusing on smaller and poorer farmers, providing guaranteed farm prices, credit and government help with irrigation and fertilizers. In both cases, part of the increased food production has been redistributed by the government through licensed retail outlets at controlled prices.

The result is that half of Kerala's grain needs can be bought from "fair price" shops at almost 50 per cent below the open-market price. One-third of Sri Lanka's food supply moves through a public distribution program.

The report describes primary education as one of the most productive investments any low-income country can make. Farmers with four years of schooling have a much higher output than those without any education.

Poor countries tend to push for expansion of college education ahead of secondary schools, and for both to expand faster than primary education. The report argues for switching emphasis and spending to insure at least four years of education for every child.

"The people who are malnourished, or illiterate, or homeless, or unemployed, or whose children die, have overriding things in common," the report says. "They are usually the same people."

Because different aspects of poverty are usually found closely linked, the poorer a society is, the less able it is to benefit from any single improvement.

Attention to the status of mothers — reducing their workload and increasing their economic power — is at the heart of development in poor countries, according to the report.

It says: "throughout the Third world, women are responsible for half of all the agricultural work. It is not uncommon for women to work half as long again as men in the fields and still store and cook the food, wash the clothes, clean the house, carry the wood and water, tend to the animals and look after the old, the sick and the children. It is, therefore, much more than the mother and homemaker who is ignored if development bypasses women."

Exercise in decision-making

Syria and the Lebanese Crisis by Aaded I. Dawisha Macmillan, London 1980, £15.00

LEBANON — On 31 May 1976, when the Lebanese civil war was already nearly 14 years old, an ad hoc grouping of eight leaders and one pro-Syrian Palestinian guerrilla organizer took a decision whose effects still rebound throughout the East today. It was the decision to ask upon a full scale Syrian military intervention in Lebanon. Not that the Syrians were mere bystanders in previous years: Dr. Dawisha, Assistant Director of Studies at Britain's Royal Institute for International Affairs, identifies eight previous occasions when the Syrian government had dispatched its first abortive peace missions to Beirut two months after the war

The author detects a consistent Syrian approach to the crisis, arguing that the switch in Syrian support from one side to another resulted from changes in the behavior of the parties involved in the war, as well as in Syria's own perceptions of those parties. Indeed his book is that its most valuable in discussing Syrian attitudes — in particular the leadership's imperialist-Zionist plots, its concern that the Israeli-Egyptian negotiations arranged by Dr. Kissinger were largely directed against Syria, and its belief that events in Lebanon reflected the wishes of the parties which later became known as the Camp David plotters.

Several other key points are made, notably the extensive consultations that preceded Syrian decisions concerning Lebanon and the changing attitude of President Assad himself, who came to the conclusion that the Druze leader Kamal Jumblatt, the overall nationalist leader, was not interested in reconciliation in Lebanon but was simply pursuing a 140-year-old vendetta between the Druzes and the Maronite Christians.

Dr. Dawisha is poorly served by Macmil-

Book review

is of small importance to a government with a narrow confessional power base. Dawisha holds that until Jan. 18, 1976 the Christian rightist forces overran the shanty towns of Qarantina and Mas-siyun. The Syrians had regarded the Lebanese as a threat to themselves — but one to which there was little likelihood of Syrian involvement. These months he terms "pre-crisis period." For Syria, he says, the crisis did not start until Lebanese military partition in January, a division shunned by the Palestinian Muslim vicar at Damour and Jijeh. In the subsequent "period" Dr. Dawisha identifies three Syrian policies. From Jan. 18 to March 15, 1976, the Syrians clearly backed a nationalist-Muslim-Palestinian coalition responsive to its appeals for help. March 15 to May 31, the Syrians ally shifted their support to the Rightist side increased, until 10 troops on Sept. 30 inflicted what Dr. Dawisha calls a "comprehensive defeat of the nationalists" in the mountains of Lebanon.

lan. The book costs £15 for under 200 pages of text, reference and indexing, yet sentences are omitted (pages 120-121), there are misprints, loose editing and worst of all, no maps. All this mars an otherwise fascinating account of a complex exercise in decision-making. Dr. Dawisha has made judicious use both of original sources — his interviews with Syrian leaders — and of broadcast and written accounts.

One mistake, however, needs to be corrected. In his otherwise interesting epilogue on Syria's postwar role in Lebanon, he asserts that in 1979 bombardment by Saad Haddad's rebel militia prevented a Lebanese army unit from entering that part of south Lebanon policed by U.N. forces. There was indeed such a bombardment — some of it fired directly by the Israelis despite pledges to the contrary — but the Lebanese army unit was nonetheless able to enter the U.N. zone, and is still stationed there.

Where Dr. Dawisha has succeeded in presenting the best analysis to date of the reasons for Syria's intervention in Lebanon.

John Roberts

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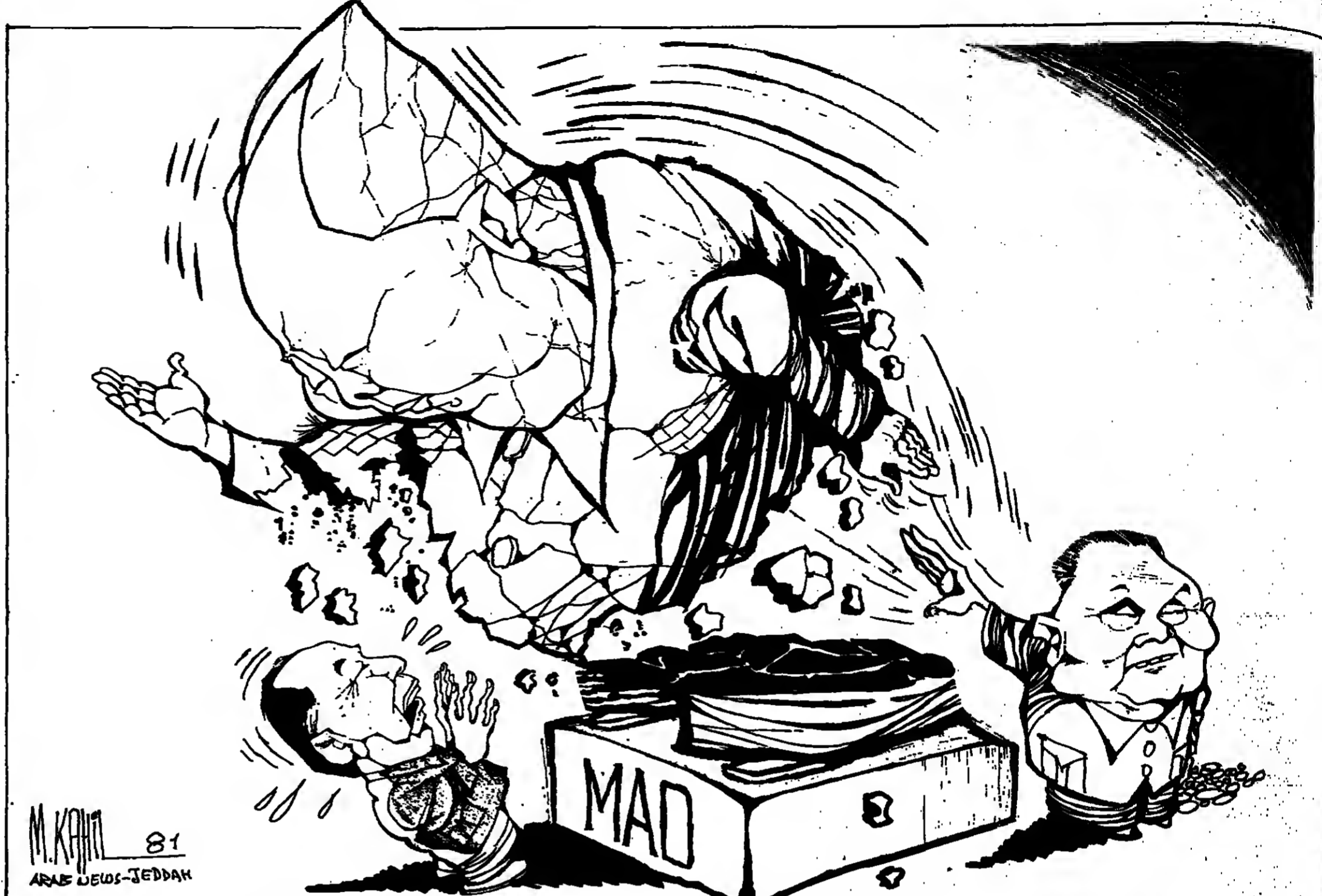
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Japan offers aid with strings

By Donald Kirk

TOKYO — Japanese Premier Zenko Suzuki has begun a five-nation tour of South-East Asia with the aim of mollifying critics of Tokyo's failure to make good on pledges of economic aid. The overseas trip, Suzuki's first since he became premier last July, will take in every member of ASEAN, the Association of South-East Asian Nations, among whom there is as much suspicion of Japanese economic aims today as there used to be of the country's military might 50 years ago.

In Manila, he dutifully promised "to lay a foundation for the contribution to relations between our two countries" as he met the Philippines' president, Ferdinand Marcos. Analysts noted that the words were reminiscent of promises by his two predecessors.

Takeo Fukuda pledged more than a billion dollars of aid during a swing through South-East Asia when he was prime minister in 1977, and the late Masayoshi Ohira renewed the promise on a visit to Manila in May of 1979.

Suzuki and two of his most trusted aides, Foreign Minister Masayoshi Ito and Agriculture Minister Takeo Kameoka, are expected to barter for increased exports and investment in return for their

promises to extend credit and participate in energy and agricultural projects.

South-East Asian officials are bitter about Japan's failure to honor previous aid commitments and are angry at the rationalizations Tokyo produces to excuse itself.

Japan's favorite excuse is the assertion that South-East Asian nations have failed to demonstrate they could make good use of the funds. On a trip to South-East Asia in November, Rokusuke Tanaka, minister of international trade and industry, said Japan simply wanted to be sure its money was "spent wisely and prudently" and not "thrown away into the gutter."

Japan naturally wants to arrange aid in a way that will benefit its own economy. But its caution has an additional, unspoken, explanation: It does not wish to lavish funds on corruptible regimes.

"We do not want to follow the American example and squander our money without any idea of what is really happening to it," said a Japanese official, requesting anonymity. "We do not want to repeat American mistakes."

As a further demonstration of Japan's growing disdain for the American role in Asia, Japanese officials have repeatedly emphasized that Suzuki is

the first prime minister since the war not to rush off to Washington before visiting other countries.

Suzuki himself, at a New Year's Day press conference, described Japan's relations with the ASEAN as "our most important concern," even though the United States remained Japan's "foremost ally." Suzuki's remarks reflect Japan's need for raw materials from South-East Asia, notably Indonesian oil. In 1979, Japan invested more than \$16 billion in imports from ASEAN nations in return for only \$9.6 million of exports.

Japan's economic aggression, however, still upsets nations that fell under Japanese rule in World War II. Suzuki runs the most serious risk of public hostility in the Indonesian capital of Jakarta, where angry mobs rioted when Kakuei Tanaka visited the country as prime minister in 1974.

Nonetheless, Japanese officials are confident there will be no repetition of such anti-Japanese feeling.

"The mood has changed," said a Japanese official. "We believe the people of the region understand we want to be partners on an equal basis" — a diplomatic turn of phrase reminiscent of the "co-prosperity sphere" that Japan's imperial leaders advocated in World War II.

Mao 'distrusted his wife'

By Jonathan Mirsky

LONDON — Madame Mao has linked her actions during the Cultural Revolution to the late chairman, despite the prosecution's efforts at the Gang trial to separate her "crimes" from his "mistakes." During her final statement, Jiang Qing declared: "I was Chairman Mao Tse-tung's wife for 38 years and that's our all. In times of war the only female comrade who followed the chairman to the front was I."

Such claims have been the target of a torrent of criticism and refutation, both in the special court and in the official press. The prosecutor, who has demanded the death penalty for Jiang Qing, insisted: "It is futile for her to push her acts on to Mao Tse-tung. It is an attempt to turn white into black, a lie, and it will never work."

Jiang Qing protested against the illegality of the trial itself, claiming: "It is a defamation of Chairman Mao to arrest me." This line of defense provoked the most specific public admission to date about Mao's role in the events listed in the indictment.

"The people of all nationalities throughout the country are very clear that Chairman Mao was responsible, so far as his leadership was concerned, for their plight during the Cultural Revolution, and he was also responsible for failing to see through the Lin Biao and Jiang Qing counter-revolutionary cliques," the prosecutor said.

The prosecution alleged, however, that the chairman had come to distrust his wife. In July 1974, he had told the politburo: "She doesn't speak for me," later adding: "Jiang Qing wants to be chairman. She has wild ambitions."

Listing Jiang Qing's alleged crimes of murder, torture and defamation, the prosecutor asked her: "Did Chairman Mao tell you to persecute all these people?"

According to the son of Chen Yi, the late foreign minister who was one of her victims, Jiang Qing vowed during her testimony to "find out who is to blame" for the illegal trial, and referred to the court officials as mere "small potatoes." Writing in the *People's Daily*, the younger Chen asserted that Madame Mao had thus issued an "outrageous challenge," demonstrating a "desire to kill" — the same desire, he charges, which caused countless deaths when she held power.

Although the Central Committee is determined to bring the once-sacred Mao "down from heaven" as a mere mortal, it is not its intention, it insists, to confuse his "errors" with the "crimes" of his wife.

"If the activities of the Lin Biao and Jiang Qing counter-revolutionary cliques were not examined, checked, and verified," the *People's Daily* recently reported, "it would be impossible to make a distinction between the two different kinds of contradictions — crimes and errors — involving the people and events in this case."

THE HOSTAGE DEAL

Four hundred and forty four days later, and after a two weeks' final burst of frantic negotiating, the American hostages held in Iran are at last set free. In return, the American government will release some of the Iranian assets frozen in retaliation when the Iranians stormed the American embassy in Tehran and held officials there hostage.

The happy, if belated, outcome is due in no mean measure to the skills and perseverance of the Algerian mediators who brought the two sides together. The Bank of England was brought in at the last minute to act as a holder for the vast sums involved in the transaction. In the United States, the undoubted happiness of the outgoing president at the end of the crisis will only be marred by the reflection that it is too late to make any difference for him politically.

In Iran itself, the leadership will no doubt do its best to show the people that a great victory against "the great satan" has been gained. But the real point here is the possibility opened up by the end of the crisis, of the West, resuming its economic dealings with the country. There is especially the consideration of America releasing those military supplies bought and paid for already by Iran at the time of the former Shah, and held by the Americans as the hostages were taken. Iran is also interested in spare parts from Britain for the Chieftain tanks their army operates.

While the West is indeed expected to start gradually normalizing its relations with Iran, there is also the view that this process will not go very far, given that the West has seen that it can do without Iran's oil all this time, and that there are benefits which might be reaped from taking a different course.

Greeks lukewarm about EEC entry

By Harold Byatt

ATHENS — Greeks are only moderately enthusiastic about their long-awaited membership of the European Economic Community, which became reality on Jan. 1. An opinion poll published last month showed 38 per cent were in favor of membership, 21 per cent against and 30 per cent non-committal.

Such lukewarm reaction may be partly the result of a lack of basic information on the consequences of entry for a nation of nine million people where industry overlook agriculture as the primary sector only five years ago, and per capita income, at \$4,500 annually, is only half the Common Market average. But among Greece's businessmen and administrators there is a feeling of challenge. "It's the sense of moving out of the Balkan league at last," said a Salonica manufacturer, "like a football team getting into the first division for the first time. It's exciting but we've a lot of ground to make up."

The Greeks will now have the opportunity of testing their traditional entrepreneurial skills in a much bigger market. EEC entry is also seen as an impetus for much-needed reforms in the country's creaking bureaucracy and financial system. There is

also considerable financial backing to be had from EEC funds, estimated recently by Professor Xenophon Zolotas, governor of the Bank of Greece, at about \$500 million annually.

President Constantine Karamanlis has long advocated the political as well as economic advantages of EEC membership. By becoming part of Europe, his ruling New Democracy Party points out, Greeks will obtain guarantees of territorial integrity for their small, strategically placed country, which has little in common with its neighbors. EEC entry is also seen as a means of strengthening democratic institutions and an important deterrent to a military takeover like that staged by the colonels in 1967.

But opposition leader Andreas Papandreu, who heads the Pan-Hellenic Socialist Movement, has long been opposed to full membership, and has promised a referendum this year on remaining in the Common Market if he comes to power. Papandreu argues that Greece should have a special relationship with the EEC like that of Norway or Yugoslavia, on the grounds that the economy cannot sustain its own growth and will inevitably become even more service-oriented and dependent on foreign investment after accession. He also

maintains the low productivity of Greek farmers compared with their European counterparts will lead to mass migration to the towns and a high rate of unemployment, now a negligible 2 per cent.

As tariffs come down in the manufacturing sector, there are bound to be casualties among the small family businesses employing less than 10 workers, which make up 95 per cent of Greek industry. However, optimists believe that Greek industry's lack of maturity may work in its favor, enabling it to be reorganized along healthier lines without causing undue strain. Reforms in the banking system are crucial to industrial development and these are making slow progress, but Greek managers are already breathing sighs of relief at the eventual prospect of more efficient financial institutions and widening horizons in industrial policy.

"The government will finally be forced into updating commercial law, the fiscal system and its antiquated exchange controls," said one exporter.

The Greek economy is shaky, with output stagnating, a 25 per cent inflation rate last year, and a trade deficit expected to total \$7,600 million in 1980. Yet the prices and incomes spiral — salaries started to become index-linked last year — has narrowed the margin of difference with the EEC, making for an easier transition.

Greece is well aware that it joins the other nine nations of the EEC as a less than equal partner, at least in terms of resources and productivity. But a major contribution, the Greeks believe, will be their merchant fleet of 40 million tons, which gives the EEC control of about one-third of world freight capacity.

Saudi Arabian Press Review

Most newspapers Tuesday said in their headlines that the Mecca Declaration would be the most significant document before the Islamic summit conference. *Al-Madina* said in a lead that a call would be made for Jihad (holy war) in case peaceful methods fail. In a lead story, *Okaz* quoted U.S. White House sources as saying the release of U.S. hostages would open the door for cooperation with Iran.

Newspapers frontpaged Foreign Minister Prince Saud Al-Faisal's press conference Monday, in which he called for more comprehensive measures to cope with Zionist challenges. *Okaz* gave page one prominence to Syrian Deputy Premier and Foreign Minister Abdul Halim Khaddam's suggestion to form a committee to implement the call for the holy war. *Al-Jazirah* gave front-page highlight to Iraqi President Saddam Hussein's assertion that Iran and Israel jointly strafed the nuclear centers in Iraq. Newspapers also reported the U.S.-Iranian accord on the release of the hostages.

Newspaper editorials reiterated that the liberation of Jerusalem and other sacred places, as well as the drafting of an Islamic strategy have become a pressing need for the Islamic world. The papers expressed their confidence on the success of the Islamic foreign ministers in preparing the agenda for the summit in full realization of Muslim aspirations. In an editorial, *Al-Riyadh* observed that the foreign ministers are presently concentrating on an Islamic strategy to be placed before the summit as a principal issue of the nation.

The paper held a firm view that the drafting of a unified strategy would not be impossible if Muslims unanimously agreed on consolidating their entity. The Islamic solidarity, it said, provides a major base for this strategy which has become the preoccupation of every Muslim leader. It added that all other Islamic issues would become secondary as soon as Muslims succeed in framing this strategy.

Okaz observed in an editorial that the liberation of Jerusalem and other sanctities would be a major objective of the Islamic conference. The paper reiterated that Crown Prince Fahd's call for Jihad and Islamic solidarity would provide the way to eliminating the sufferings of Muslims. It referred to the climate of optimism prevailing over the foreign ministers' conference and said it provides a good indication of what the Mecca summit would resolve.

Discussing the foreign ministers' conference, *Al-Madina* noted that the conference's unanimity on the topics of agenda for the Islamic summit provides an evidence of its keenness to discuss each and every issue of the Islamic world. The paper said optimistically that a new century in the life of the Islamic world has dawned to enable the nation to re-plan its strategy to solve the Islamic issues.

Al-Yom also expressed optimism over the success of the summit in achieving the cherished objectives. The paper based its optimism on positive indications made available through the conference of Islamic foreign ministers. It described the summit as

being a turning point in the life of Muslims. Highlighting the crown prince's call for Jihad, the paper said the Muslim leaders would be keen on the drafting of a common strategy to restore the usurped rights and sacred places, mainly Jerusalem.

Al-Bilad called upon the Muslims of the world to unite and derive inspiration from the Prophet Muhammad and other stalwarts of Islam who had sacrificed everything to safeguard the faith and to raise the status of Muslims.

In an editorial, *Al-Jazirah* welcomed any efforts by the foreign ministers' conference to persuade any Islamic state invited but stayed away for objective reasons. The paper excepted any such state which is unwilling to participate and places conditions for its participation for reasons of its own, with no relation with the host country. It however, noted that the opportunity of Iran's participation in the summit has increased, especially in the wake of an accord on the release of the U.S. hostages. The paper said it would be a matter of vital significance if Iran also exerts efforts to put an end to the Communist occupation of Afghanistan. The Communist threat looms large on the frontiers of Pakistan and Iran, it added. The consolidation of the security of the Gulf, as an Arab and Islamic region, is a vital matter for every state of the region. The Gulf security would be instrumental in thwarting any alien attempt to interfere in the affairs of the region, under any pretext or justification, added the paper.

Letter to the editor

Dear Sir,
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Arabian today to boost Arab and Islamic cooperation. Also today's edition carries a book review. As for the commentaries, *Arab News* publishes, in addition to its editorials, newspapers' comments to give the reader a wider view of the Saudi Arabian scene.

Mr. A. Ashraf
 Arabic Teachers College
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The Organization of the Islamic Conference (Part 9)

Summit gathers momentum

By Razana Siddiqi

JEDDAH — Heads of state of 40 member states of the Organization of Islamic Conference will soon be arriving in the Kingdom to attend the third Islamic summit conference. The opening of the summit is scheduled to be at the Holy Haram in Mecca

ved to safeguard the moral, spiritual, and social values of Islam and to foster better understanding among all Muslims. They also reaffirmed their unshakable faith in the precepts of Islam which proclaim the equality of rights, among all men and resolved to unite their efforts for the preservation of peace and security all over the world.

second Islamic summit was organized in Lahore, Pakistan, in February 1974 the scope of activities of the OIC as well as its usefulness and prestige were well established.

The second summit was attended by 37 heads of state. Palestine was represented by the PLO, while Arab League and Rabin Ajam Al Islami attended as guests.

The initial years of the OIC were spent discussing on how to safeguard the holy places under Israeli occupation and the recovery of Palestine, which remains to this day the most important objective of its activities. It was felt however, that attention should also be directed toward better cooperation among member states in the economic and cultural fields.

The agenda of the second summit conference included the Middle East and the Palestinian questions, Jerusalem, economic cooperation and establishment of the solidarity fund.

Representatives of the Muslim states proclaimed at the second summit that their faith was an undissoluble bond between their people and that the solidarity of the Muslim people is based on the precepts of equality, fraternity and dignity of man; freedom from discrimination and exploitation, and struggle against oppression and injustice; and that it is not based on hostility toward any other community or distinctions of race and culture.

They committed themselves to protect and promote solidarity among Muslim countries; respect each others' independence and territorial integrity; and to resolve, peacefully, any differences wherever possible to utilize a mediatory influence of the brotherly Muslim states.

Concerning the Arab-Israeli situation, the representatives observed that the Arab cause was in fact the cause of all countries that oppose aggression and declared full support should be given for the recovery of the Arab occupied territories. Effective and full support was also pledged to the Palestinian people and their just cause. Israeli withdrawal from Jerusalem was declared a paramount and unchangeable requisite for a lasting peace in the Middle East. The delegates deplored Israeli measures to change the Arab and Islamic character of the occupied Jerusalem and other forcefully held Arab territories. They also affirmed continued struggle for Jerusalem and preservation of the holy shrines and that they should not become the subject of any bargaining.

The member states were also urged to consolidate their cooperation in the economic, social, cultural, scientific, and other fields. The representatives felt that it was necessary for the member countries to activate their national resources to ensure economic and social welfare of their people and to extend to each other support and cooperation to speed the socio-economic development.



King Khalid

— an appropriate setting for a gathering of the faithfuls from Morocco to Indonesia, to pledge once again their commitment to the solidarity of the Ummah, preservation of spiritual, moral, and socio-economic values of Islam, and a resolve to find solutions to problems confronting the Muslim world.

The foreign ministers have already put their heads together to prepare the agenda for the summit due to begin Jan. 25. Jerusalem, Palestine and Afghanistan seem to top the list of subjects to be discussed. A program of increased activities in the economic and cultural fields is also predicted. Through the decisions of the summit as it is concluded one can draw conclusions based on the resolutions of the first and third Islamic summit conference held in Rabat and Lahore, respectively.

The first conference was held in Rabat, Morocco in Sept. 1969 following shock and anguish throughout the Muslim world over the burning of Islam's third holiest shrine, the Al-Aqsa Mosque in occupied Jerusalem. Twenty-five heads of state attended the summit with Palestine Liberation Organization as observer to discuss a plan of action at the international level to combat and halt the Israeli policy of desecration and systematic Judaization of Muslim holy places and forcible occupation of Jerusalem and other Arab lands.

The delegates at the Rabat summit resol-

At the end of the four-day summit in Rabat a plan of action was drawn to establish a permanent secretariat charged with the responsibility of contacting governments represented at the conference and to coordinate their activities.

It was also declared that member states shall consult, cooperate, and render mutual assistance in spiritual, economic, scientific, and cultural fields inspired by the teachings of Islam. Delegates also agreed that their governments will try to settle by peaceful means any dispute which may arise between them in such a manner as to contribute to the strengthening of international peace and security in accordance with the charter of the United Nations.

With regards to the act of arson in the holy Al-Aqsa Mosque and the Arab-Israeli conflict the representatives declared that Jerusalem should be restored to its status previous to June 1967. Full support was also affirmed to the Palestinian people, restoration of their rights, and in their struggle for national liberation. They unanimously declared their adherence to honorable peace.

The general-secretariat of the OIC was established soon after the first summit. Foreign ministers' conferences were held annually in various member states after the first held in Jeddah, in March 1970, and many more Muslim states joined the OIC as its activities continued to gain momentum. By the time the

The summit also urged the developing countries to unite their efforts for a more balanced international economic order.

A decision was reached at the second summit to establish Islamic solidarity fund. The purpose of having this agency was to assist and meet the needs for Islamic unity, Islamic causes; and enhance Islamic culture and values.

The third summit conference will be the

largest gathering of Muslim heads of state in history. The world has turned its attention toward Taif. Journalists from many countries have flocked to this mountain resort 160 kms east of Jeddah. The dream of a common front based on principles of Islamic fraternity and cooperation envisaged by the first Islamic summit conference has become a reality. It is true, that the Muslim world is facing some grave problems, but the Muslims have a will

to overcome the difficulties armed with the strength of their faith, collective efforts and understanding.

Late King Faisal devoted much of his time and efforts to achieve a unified voice of Islam and to bring about a re-emergence of a dynamic Muslim civilization when the first summit was called. King Khalid and other Muslim leaders will attend the third summit with the same conviction and zeal.

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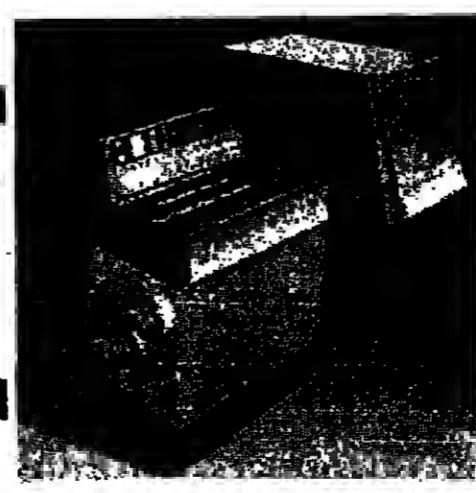
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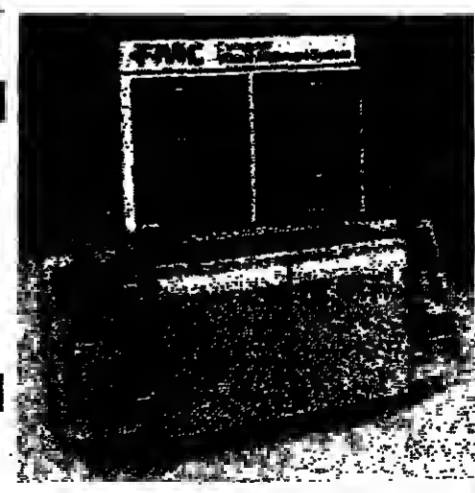
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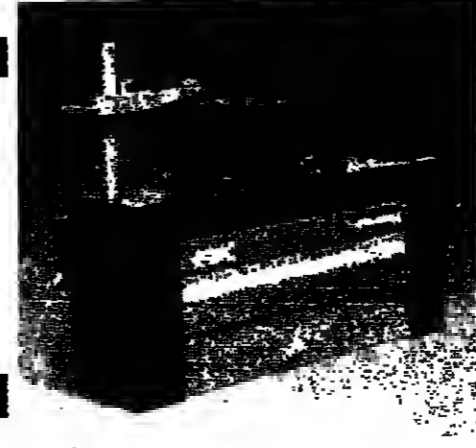
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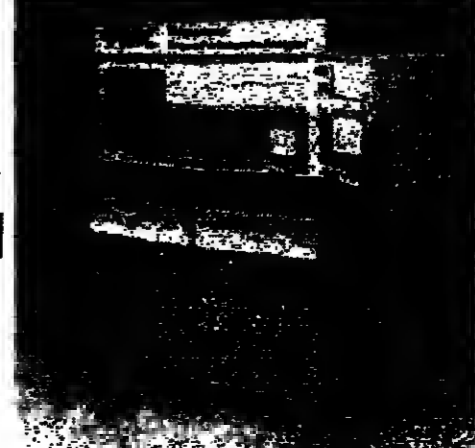
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Subs deal aftermath

Peking downgrades embassy in Hague

PEKING, Jan. 20 (Agencies) — China has decided to downgrade its relations with the Netherlands to the charge d'affaires level following the Dutch decision to sell two submarines to Taipei.

Vice Foreign Minister Zhang Canning handed Dutch Ambassador Jan Kneppelhout a note announcing the move here, the official New China News Agency reported Monday.

The Dutch decision to grant export licenses for the submarines, and for conventional and nuclear power stations to which the Chinese have not objected, was made November. China and the Netherlands raised their relations from charge d'affaires to ambassadorial level in 1972.

Diplomatic sources said the Peking move appeared to be a warning to other west European countries and to the United States not to sell weapons to the Republic of China.

China has also cancelled several contracts

with the Netherlands, notably with the Shell Oil company, Chinese embassy spokesman Shen Zhihuo said to the Hague Monday.

He said the company, which had been granted exploratory and drilling contracts in China, had been informed that now was not the opportune moment to pursue these activities.

Shen added that authorities in Peking had informed the Dutch government that if it went ahead with the submarine deal, the Netherlands could expect a deterioration not only of diplomatic relations, but also in the "cultural, economic and scientific" spheres.

The spokesman also reiterated Chinese charges that a statement by Dutch Prime Minister Andreas Van Agt Friday was "untrue." Van Agt had said that he had informed Peking of the submarine sale plan during his October visit and that China had not threatened any punitive action.

Brown reports on NATO

Soviet defense spending needs greater commitment

WASHINGTON, Jan. 20 (R) — The Soviet Union spent 50 per cent more on defense than the United States last year and poses a threat that needs greater military commitment by NATO, according to Defense Secretary Harold Brown.

In a farewell message to Congress Monday, he said European NATO members must

devote more resources to defending Europe because of the growing demands on the U.S. to be able to counter any Soviet military move in the Gulf or the Indian Ocean.

"Neither the Congress nor the American people will long be willing to carry an unfair share of the total burden," he wrote. "We cannot do it all."

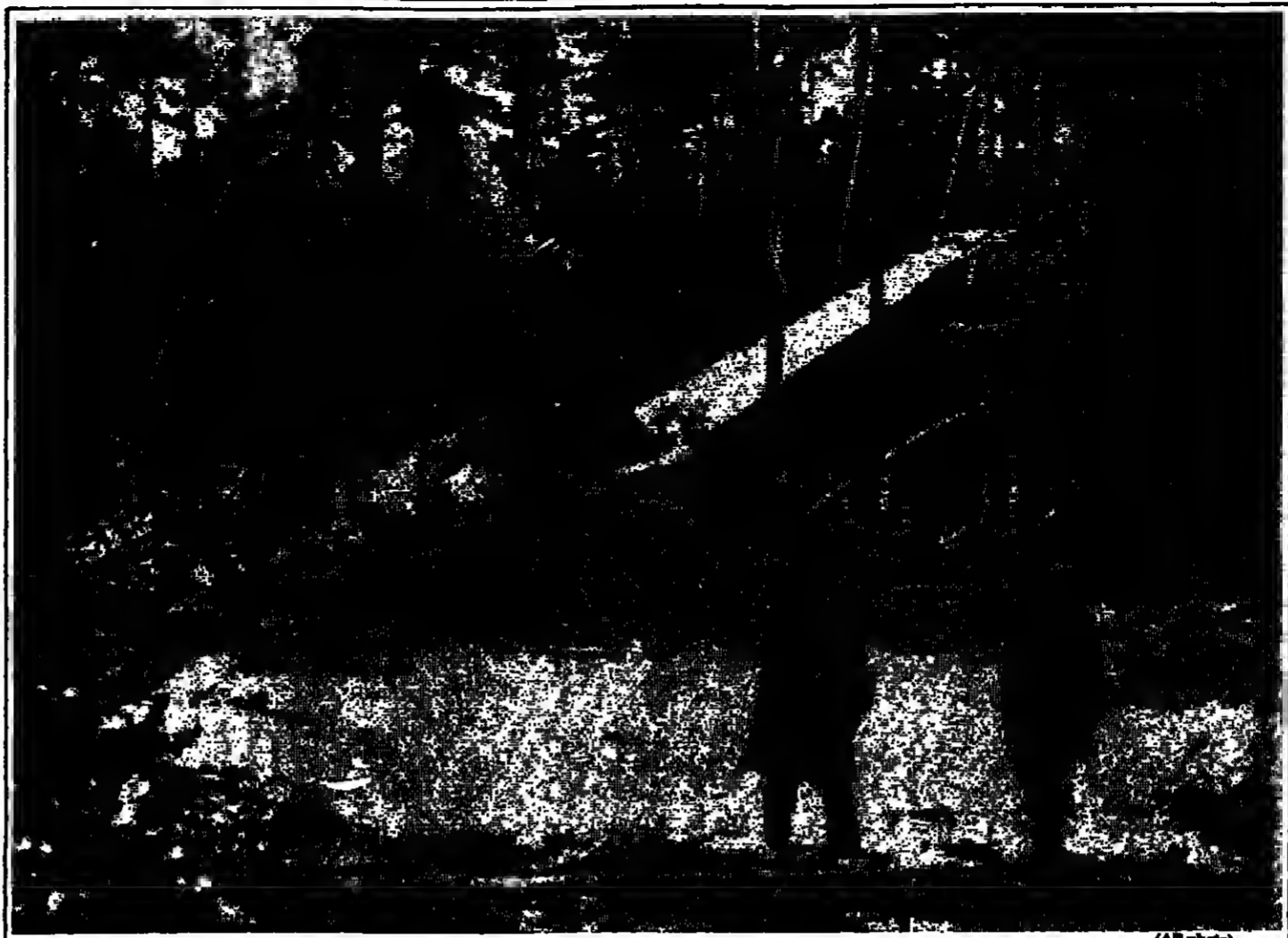
He said even a modest participation by U.S. allies in an effort to beat back a Soviet invasion in the Gulf or Indian Ocean region "could be critical in uniting us."

Brown agreed with defense advisers to the new Reagan administration that the United States must be prepared to wage a limited nuclear war, which he said could cost up to 22 million American deaths within 30 days.

He said the U.S. could launch nuclear missiles when electronic detection showed the Soviets had launched theirs. But such a hair-trigger deterrent could never be a permanent solution to the vulnerability of U.S. missiles, he added.

Brown said the program to conceal MX missiles in fields of empty missile silos, and efforts to improve the elusiveness of nuclear-armed submarines, were the correct ways to help the U.S. nuclear arsenal to survive.

Soviet defense spending had increased at four to five per cent a year while U.S. spending rose and fell, he said.



CRASH SITE: A C-130 transport plane crashed last week on take-off from the Ramstein U.S. Air Force base in West Germany, killing eight persons.

To minimize danger

Smokers asked to use low-tar cigarettes

WASHINGTON, Jan. 20 (AP) — Smokers who can't or won't quit should switch to lower tar and nicotine cigarettes because they may pose less danger of lung disease, according to the United States' highest health official.

"There is no 'safe' cigarette," Surgeon General Julius B. Richmond said in his 237-page annual report on smoking and health, "but some cigarettes may be less hazardous than others, reducing the risk of smoking in a limited and selective fashion."

The evidence that smoking low tar and nicotine cigarettes reduces other types of disease is less clear, however. "No such conclusion can be reached for cardiovascular disease, emphysema, bronchitis or pregnancy effects," Richmond added.

He cautioned that smoking more or inhaling more deeply when one switches to low tar and nicotine brands may easily negate any benefits from those cigarettes.

The surgeon general told a news conference Monday that he is seeking voluntary

disclosure of information on cigarette additives from individual companies and from the industry because some of the 300 compounds known to be used in cigarettes can cause cancer. But the industry regards such information as trade secrets and has not yet supplied it. Information on which compounds are included in specific brands or which brands produce other compounds as by-products of smoke was not available, Richmond said.

Richmond called for a testing and review program on the additives used to enhance the appeal of cigarettes to determine whether those additives are toxic or cause tumors. He also suggested that the industry stop putting new additives in cigarettes until the effects of the current batch can be assessed.

Some \$52 million is being requested for smoking programs, including research and educational activities in the last Carter administration budget, he said. Richmond declared that "the single most

effective way to reduce hazards of smoking continues to be that of quitting entirely." But the 54 million Americans "who are unwilling or as yet unable to quit are well advised to switch to cigarettes yielding less tar and nicotine, provided they do not increase their smoking or change their smoking in other ways," he added.

Although the report offered little new information about the effects of smoking, the Washington-based Tobacco Institute, which represents the cigarettes industry, described it as "more moderate in tone than its predecessors."

Noting the progress in scientific research on various diseases and their relationship to smoking, the institute said the industry has spent "tens of millions of dollars" for independent research in some of those areas.

The surgeon general's report said there is insufficient scientific and medical data to measure exactly the impact of low-tar and nicotine cigarettes on heart disease and chronic obstructive lung disease.

Medical feat to stem fatal illness

CLEVELAND, Jan. 20 (AP) — Doctors Tuesday were set to begin a medical procedure that aims, for the first time, to use bone marrow of an unrelated donor for an infant recipient suffering from marble bone disease.

The donor is a 31-year-old mother of five from England, Sylvia Smith who arrived in Cleveland last week to prepare for the procedure. She was a volunteer registered at the Anthony Nolan bone marrow transplantation registry in England. The recipient is a 10-month-old boy, Kamran Fazili, who is being treated for the rare disease of bone marrow technically called infantile malignant osteopetrosis.

Dr. Peter Coccia, acting head of hematology-oncology at Rainbow Babies and Children's Hospital, said the infant's close relatives do not have bone marrow which can match closely enough for a transplant.

The doctor, also an associate professor of pediatrics at Case Western Reserve University School of Medicine, said it is for the first time an unrelated donor will be used to try to stem the fatal illness. He hoped for a 50-50 chance of survival for the infant.

Gromyko warns U.S. on SALT

MOSCOW, Jan. 20 (AP) — The Soviet Union will not participate in the new Strategic Arms Limitation Treaty, (SALT) talks with the United States if they are designed to change the basic principles of the arms limitation plan, according to excerpts of a forthcoming article by Foreign Minister Andrei Gromyko.

Gromyko, writing in the Communist Party journal *Kommunist*, did not, however, directly rule out the prospect of further discussions of SALT, the excerpts indicated. They were distributed by the official Soviet news agency Tass.

The incoming administration of U.S. President Ronald Reagan has said it would seek to renegotiate the agreement to correct what it sees as disadvantageous to the United States.

"The Soviet Union cannot and will not take part in negotiations aimed at crossing out the SALT II agreement and breaking down the basic principles on which treaty was concluded and on which the SALT I agreement is based and now functions," Gromyko said, according to the Tass excerpts.

"SALT II concerns extremely important aspects of the security of the Soviet Union and the United States," Gromyko added. "and, for our country, any approach that would put one side in an advantageous position over the other is categorically unacceptable."

Apeman's footprint filmed in China

HONG KONG, Jan. 20 (AFP) — The world's largest footprint of an apeman has been discovered on a peak 2,400 meters above sea level in Xienlongqia, central China's Hubei province, a Peking report said Tuesday.

The 48 centimeters long footprint was recorded on film by the Central Newsreel Studio, the New China News Agency said. The footprint is shown clearly on film with five distinct toes without any blurring by the apeman's movements, the report said.


The film team had gone along with an expedition who had set out on a year-old hunt in 1980 for "strange animals" in the northwest of Hubei province. The print was among some 200 similar ones found by the expedition in the province.

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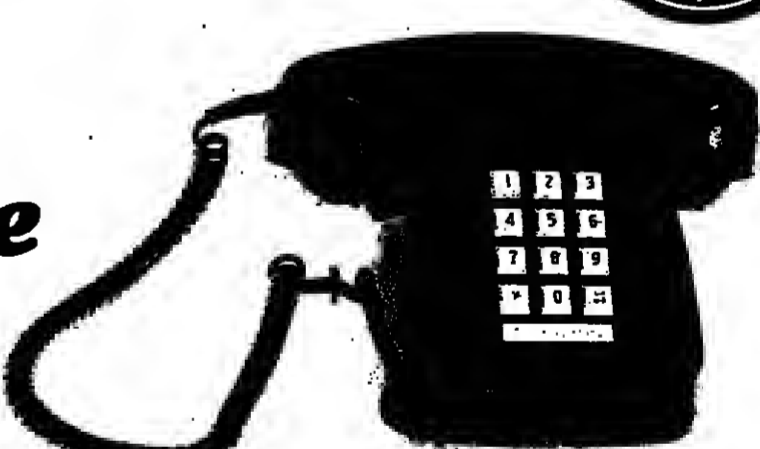


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Kampuchean resistance

Sihanouk party joins Son Sann

PHNOM PENH, Jan. 20 (AP) — A Kampuchean anti-Vietnamese resistance movement loyal to exiled Prince Norodom Sihanouk, plans to join forces with former Prime Minister Son Sann's Khmer People's National Liberation Front (KPNLF), according to reports here.

A spokesman for the KPNLF said that Sihanouk's son, Prince Sihanouk, had attended a meeting with KPNLF at a refugee camp on the Thai border.

The spokesman said that Moulinaka was "rejoicing" at the KPNLF but that it remained to be seen if the cooperation will work out.

Moulinaka is the only pro-Sihanouk element in the area. Despite being relatively small, it has achieved a reputation for being clear of blackmarket dealings and corruption, rampant in the border camps. But

at the end of November Moulinaka members reportedly joined forces with guerrillas of the ousted Khmer Rouge regime in an attack on a Vietnamese convoy.

The Khmer Rouge hailed "this first combined military operation" as a step towards uniting anti-Vietnamese movements. But Son Sann has rejected any alliance with the Khmer Rouge — held responsible for mass murders and forced labor camps when in power.

Observers were surprised at Moulinaka's alleged cooperation with the Khmer Rouge as their champion. Prince Sihanouk, has denounced the former Pol Pot regime as Kampuchea's number one enemy, to be fought more fiercely than the Vietnamese invaders.

Meanwhile, Kampuchean sources confirmed that Prince Sihanouk's younger son,

Prince Norodom Narindarapong, 26, had returned to the Khmer Rouge-held hills. The Moscow-educated prince reportedly fell out with his father in 1979 over his support for the Khmer Rouge.

Meanwhile, Japanese Prime Minister Zeeko Suzuki, in a show of strong solidarity with the Association of South East Asian Nations (ASEAN), had demanded a Vietnamese withdrawal from Kampuchea.

Suzuki, winding up a 13-day tour of the five-member, non-Communist economic grouping, Monday said the Kampuchean tragedy was "the result of military intervention by Vietnam."

At the same time, the prime minister stressed that Japan would never become a military power and proposed specific areas of economic cooperation to strengthen ASEAN — Thailand, Singapore, Malaysia, the Philippines and Indonesia.

South Africa withdraws license

Black-oriented papers close down

JOHANNESBURG, Jan. 20 (AP) — Two black-oriented newspapers, which had their licenses withdrawn by the South African authorities, will close for good, the publishers announced Tuesday.

The announcement from the Argus Printing and Publishing Company, the largest English-language group in South Africa, came as the South African authorities announced that the licenses would be withdrawn. An informed source close to the publishers said that Argus had decided to

close down the two papers because it had been told that the two papers could face a further ban after they resumed publication.

The *Post* and *The Sunday Post* were among four papers that had their licenses withdrawn by the authorities last month on the grounds that they failed to appear for 30 consecutive days. The other two were *The Sowetan* and *The Saturday Post*, which has since ceased publication.

Publication of the four papers, all owned by the Argus Group, was hit when black journalists went on strike over union recogni-

tion in October. The strike lasted two months but the group maintained that limited editions of the papers had appeared.

Percy Qoboza, one of South Africa's best known black journalists and the editor of *Post* and *Sunday Post*, has resigned even before the closure was announced in protest against government action. Qoboza rose to national and later international prominence in 1976 and 1977 when he was editor of *World* and *Weekend World*, the two black-oriented newspapers which were banned by the government in 1977. He was largely responsible for a marked change in these newspapers during the mid-1970s.

French officers undergoing pace training in Russia

PARIS, Jan. 20 (AP) — Two French air force officers are undergoing grueling training as "spationauts" — the French equivalent of the West's astronauts and the Soviet's cosmonauts — in the Soviet Union so that they can be chosen for a joint Franco-Soviet mission in June 1982.

Gol. Jean-Loup Chretien, 41 and Patrick Baudry, 34, have just spent a

three-week leave here and Monday returned to the "City of Stars" Soviet space training centre, 26 miles east of Moscow.

Between now and next month they must complete the first phase of their training which is devoted to the theory of space flights, space medicine, and space computers. When they have passed this phase, they will study the "Soyuz-T" space project.

Tanzania mum on traders' arrest

DAR ES SALAAM, Jan. 20 (R) — Tanzanian officials declined comment on the arrest of a group of prominent businessmen Weogago under presidential detention here.

The detentions were part of a major crackdown on corruption apparently instigated by President Julius Nyerere himself. They coincided with the sacking of the semi-autonomous island of Zanzibar of 102 civil servants by the island's leader Aboud Jumbe.

Jumbe, who is also Vice President of the Union of Tanzania, told the Zanzibar Parliament that the civil servants had been removed because they were guilty of corruption.



NONALIGNED TALKS: Iranian Prime Minister Mohammad Ali Rajai (right) met Indian government officials in New Delhi Sunday and held talks on the upcoming nonaligned foreign ministers' conference in the Indian capital.

Inflation, social conflict continue

India better off now, Gandhi says

NEW DELHI, Jan. 20 (AP) — At the end of her first year back in power, Mrs. Indira Gandhi brushed aside complaints of non-performance and inefficiency. India, she declared spiritedly, is better off now than when she took office one year ago.

"The charge of non-performance is the wall of frustrated people. It is like non-swimmers criticizing people who are making their way through turbulent waters," Mrs. Gandhi, 63, said in a newspaper interview marking the anniversary of her return to power on Jan. 14.

Her critics do not agree. "Mrs. Gandhi is short of ideas, and now she is going headlong to bankrupt the nations," said Subramaniam Swamy, general secretary of the opposition Janata Party.

Mrs. Gandhi's third term of office began quietly, however, as she and her younger son Sanjay — her closest confidant — began to consolidate the power entrusted to her Congress Party by the Indian masses.

A year-long student-led agitation against millions of suspected aliens continue to trouble Assam state in the northeast, while a farmers' movement demanding tighter prices for their produce gathered momentum in western India.

A blinding scandal shook the nation late last year when reports from the northern state of Bihar said that 36 prisoners were blinded by policemen in Bhagalpur. The government met complaints of inaction with a stern hand. A preventive detention law was pushed through parliament giving the government powers to imprison any person it considered a threat to national security or communal peace for up to one year without trial.

Her critics do not agree. "Mrs. Gandhi is short of ideas, and now she is going headlong to bankrupt the nations," said Subramaniam Swamy, general secretary of the opposition Janata Party.

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Sanjay had won election to parliament in the balloting in January 1980 which gave

their party a two-third majority in the 543-seat ruling lower house. He took increasing charge of party affairs and emerged as India's most powerful personality after his mother. Many regarded him as her likely successor.

Sanjay's death on June 23 in a stunt plane crash in New Delhi changed the political scene dramatically. Mrs. Gandhi was stunned and appeared to lose her decisiveness. Her administration began to drift and it was four months before she reasserted herself publicly.

Talk that she was turning inward, neglecting the affairs of state, trusting astrologers more than her political advisers when she did act, all vanished when she addressed a news conference. She appeared in full control, apparently reconciled to her prospective heir's death.

Legislator arrested

NEW DELHI, Jan. 20 (AP) — Indian troops have detained a legislator of Prime Minister Indira Gandhi's ruling Congress Party, apparently because of his alleged connection with tribal insurgents, news reports said Tuesday.

Troops took the legislator, Ibotombi Singh, for questioning after a house-to-house search for rebels in Imphal, the state capital. Imphal is located about 400 miles north-east of Calcutta and Singh is a former state cabinet minister.

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OPEC rules out price boom--Howell

LONDON, Jan. 20 (R) — British Energy Minister David Howell, back from a tour of Gulf countries, said OPEC exporters there were generally hopeful there would be no oil price explosion in 1981 despite the Iraq-Iran war.

He said Gulf countries had feared interruption to Iraqi and Iranian oil exports would trigger panic-buying of crude oil by the West and Japan. That happened in 1979 after an earlier slump in Iranian output and world prices rose 150 per cent on 18 months.

Howell said: "There was a theory that as the war went on, you would get to a point where people would no longer draw on stocks and would start panic-buying, but it has not worked out that way."

He said Gulf countries had welcomed the accord last December by the International Energy Agency (IEA) to coordinate a reduction of oil stocks and share oil where members of the oil consumer groups, like Turkey, were in special need.

We said most Gulf oil exporters, and other

members of OPEC such as Venezuela, increasingly saw violent oil price changes as simply fueling inflation which damaged their own economies. "They are running to stay where they are. They have a very strong wish to see a stable oil market," he said.

Admitting that psychological and political factors can affect the market, he said the general hope in the Gulf was that there would be no further grounds for panic-buying and that further price movements would not be explosive.

Barring unforeseen interruptions to the supply of oil, "the next period of stress will be when world recovery really starts," Howell said, adding that there would then be increased demand on available OPEC crude oil supplies.

Howell said he did not detect great hope during his tour that the Iraq-Iran war would be ended quickly. But oil technicians in the Gulf believed the oil flow from the two would build up more rapidly than suggested by some Western experts when the war ends.



BUSY DAY FOR BROKERS: The Frankfurt currency exchange brokers had a busy day Monday following forecasts that the imminent release of American hostages in Tehran would push up the value of the dollar.

Iran gold transfer entails huge transport operation

LONDON, Jan. 20 (R) — A convoy of trucks and a fleet of 16 aircraft would probably be required to ship home Iran's gold, released by the United States in exchange for the American hostages, bullion experts here have said.

The 1.6 million troy ounces of gold, worth about \$900 million, weigh around 50 tons.

But it is the value of the metal and its importance in international financial dealings, rather than its bulk, that would demand a huge transportation operation, one source said.

"If it were all crammed into one vehicle or plane, there is always a chance that it could go missing," he explained. "The value would be easily recovered through insurance, but the sudden disappearance from international markets of all that gold would have enormous repercussions. The price of the metal would shoot up," he added.

One leading London bullion expert, who regularly handles large amounts of gold, said that for these reasons his company would normally commit a maximum of three tons to a plane and one ton to a truck.

The insurance operation would be one of the biggest handled by Lloyds of London, through which most of the world's major risks obtain cover. For these reasons Iran may not demand the physical presence of its gold. It could easily reinvest it without moving it from London, the experts said.

The *Financial Times* of London reported Monday that fear of further western interference with its assets persuaded Iran to ship home almost 30 tons of gold from London in various secret operations in 1980.

The gold comprises 4,000 bars each weighing 12.5 kg — about the same as a family television set. So far, under the deal between Washington and Tehran, none of it has moved very far, informed sources said here.

The Iranian gold blocked in the New York federal Reserve Bank since November, 1979, has now been transferred to the Bank of England's corner in the DED's vaults, the sources said. As a counterpart, an equivalent amount of British gold in London has been transferred to the account of the Algerian Central Bank for eventual possession.

	SAMA	Cash	Transfer
U.S. Dollar	103.00	8.50	8.85
Canadian Dollar	165.00	167.50	166.55
Deutsche Mark (100)	153.00	—	153.50
French Franc (100)	—	4.40	4.45
Japanese Yen (100)	—	90.90	90.85
British Pound (100)	72.00	73.00	71.60
Italian Lira (1,000)	—	72.25	73.90
Spanish Peseta (100)	—	—	42.20
Israeli Sheqel (100)	—	8.25	—
Indian Rupee (100)	35.00	35.50	35.10
Yemeni Rial (1,000)	16.50	—	16.75
Jordanian Dinar	—	10.85	10.76
Kuwaiti Dinar	—	12.30	12.30
Libyan Dinar (100)	—	89.50	89.10
Moroccan Dirham (100)	—	82.00	79.15
Philippine Peso (100)	—	—	33.70
Portuguese Escudo (100)	—	—	44.50
Qatari Riyal (100)	8.00	8.00	8.06
Singapore Dollar	—	91.80	91.70
Swiss Franc (1,000)	—	42.20	42.20
Thai Baht (100)	183.00	184.00	183.20
Turkish Lira (1,000)	—	77.00	85.50
U.S. Dollar	3.33	3.33	3.34
Yemeni Rial (100)	—	73.25	73.05
Gold kg.	—	60,700.00	—
10 Tolas bar	—	7,050.00	—
Ounce	—	1,910.00	—

Cash and Transfer rates supplied by Al-Rajhi Company for Currency Exchange and Commerce, Gebel St., Jeddah — Tel: 23815.

Saudi Arabian Government Tenders

Authority	Description	No. of Tender	Price SR	Closing Date
Department of Water and Sewage, Eastern Province	Construction of chambers for power transformers at the sites of wells in Damman and Al-Khobar	20/400-401	200	Jan. 31
Directorate General of Municipal and Rural Affairs, Western Province	Temporary asphaltting in Khaiber	11/M	300	Jan. 27
Department of Education, Tabuk	Cleaning of some schools in Tabuk	13	300	Jan. 31
Directorate of Municipal and Rural Affairs, Northern Province	Construction of a water reservoir of 200 cu. meters capacity in Haqi	—	150	Feb. 14
Directorate of the National Guard, Riyadh	Supply and Installation of power generating units at the Guard's camp in Rafha	28/400/401	200	Jan. 31

Ghana plans to revive gold industry

ACCRA, Jan. 20 (R) — Ghana, the legendary gold coast of Africa is praying for a new gold rush. With the economy still in desperate state after military misrule, the civilian government of President Hilla Limba has appealed to foreign investors to revive Ghana's ailing gold industry.

At an international seminar on Ghana's gold, organized by the government last week, prospective investors were told that the country's gold potential was enormous — an estimated two billion ounces. Lloyd Quashie, head of a government appointed committee on gold, said: "Ghana, without any doubt, has the geological endowment to enable her to produce gold on a massive scale, probably on the same scale as South Africa and Russia."

The committee recommended that 41 new goldmines be opened over the next 20 years to exploit this potential. This would raise production to over two million ounces a year, still far short of South Africa's 22 million ounces.

But South Africa's production has peaked, whereas Ghana still has large, untapped reserves. Gottfried Kesse, director of Ghana's geological survey department, said the deposits were richer and more accessible than those, in South Africa. The average grade in Ghana was seven pennyweights of gold per ton of ore, compared to less than four pennyweights a ton in South Africa mines. (Twenty pennyweights make a troy ounce.)

Analyst predicts gloomy future for Britain

LONDON, Jan. 20 (R) — The British government's economic policies, based on the strictest dedication to monetarism in the industrialized world, are doomed to long-term failure, a major firm of London stockbrokers has said.

A forecast for the next five years published by Phillips and Drew predicted that by 1985 unemployment will be running at 3.25 million, inflation will be in double figures, manufacturing output will be 10 per cent below 1979 levels and, despite the North Sea oil, Britain's balance of payments will be running a yearly deficit of about £ 2 billion (\$4.8 billion). "Government policy is based on the belief that output will begin to increase sharply once inflation is brought under control and tax incentives are restored. We doubt whether this will happen to any significant extent," the stockbrokers said in one of the gloomiest forecasts for the British economy published in recent weeks.

Phillips and Drew said Britain's current recession, its worst since the 1930s with 2.2 million people out of work, would bottom out at about the middle of this year. But the recovery would be short-lived, lasting only until the end of 1982.

The deposits were also easier to reach. The deepest mine in Ghana is 1,585 meters while in South Africa two mines now go down to 4,267 meters. The gold is in south-western Ghana, much of it in a belt which runs for about 280 kilometers from south of Prestea to north of Konzbor.

Ghana's gold potential has never been so dramatically proclaimed by Accra officials, but the geological data presented at the seminar of back decades. A classic study "gold in the gold coast" estimated in 1935 that Ghana had a gold-bearing region of about 20,000 square miles. This is still the figure given Tuesday.

So why is the appeal for foreign investment being made only now? "Stupidity," whispered a senior Ghanaian mining executive, while government officials explained that in the past, the time had not been ripe, politically. Delegates at the recent gold seminar speculated that the International Monetary Fund was pressing Ghana to put its house in order in the mining sector if it wanted to receive a reasonable IMF credit.

Ghana's gold industry is only a shadow of its former self. Production in 1979 was 387,730 ounces — output was higher on the eve of the First World War and in 1960 it reached a record level of 915,317 ounces. Since 1945, the number of operating mines had dropped from 11 to four.

The gold committee blamed the decline on mismanagement, poor planning, outdated machinery, lack of finance and skilled manpower and widespread theft from the gold mines. This is estimated \$ 2.5 million per year. Committee has made sweeping proposals for change. Its recommendations include the construction of 14 mines at an estimated cost of \$ 3 billion, a special gold mining code in which a long-term mineral policy is guaranteed, granting gold mining companies a free port status to facilitate imports and reduce tax burdens.

At present, gold mining in Ghana — or indeed any business — is out for the faint-hearted. Ghana has a policy of strict import controls because of its chronic shortage of foreign exchange. The result is a severe shortage of virtually everything. The most productive gold mine in Ghana is at Obuasi, near the Ashanti capital of Kumasi. According to chief engineer Peter Settle, the mine is completely self-supporting in machinery. "I have to be to keep the mine going, I can't get anything from anywhere," he said. Even simple roof-sheeting is unavailable — the mine gets around this problem by splitting oil drums and using them. But they cannot 100 per cent self-sufficient, and some operations are now being hindered because of cement.

The Obuasi mine, which produces 248,000 ounces a year, is run by the Ashanti Goldfields Corporation. Shortages are not the only problem for the prospective investor. The representative of one gold mining company who attended the seminar said he had two chief concerns. One was the convertibility of the Ghanaian currency, the cedi, which changes hands on the black market at almost

10 times the official rate.

The other is Ghana's complex laws on mining concessions and land tenure. The leading authority on Ghana's mining concessions is 74 years old. "If he should die sooo I doo't know what we would do," the businessman said.

Although no firm has offered an investment during the seminar the general opinion among delegates was that Ghana was worth a second look.

He said that Qatar wants to decrease its reliance on crude oil, but "does not intend to replace oil with gas as the main source of revenue — at least not in the initial stage."

Qatar seeks tie-up for gas project

MANAMA, Jan. 20 (AP) — Qatar is scouting for potential partners for \$4 billion gas-gathering project, the Doha-based English-language newspaper *Gulf Times* has reported.

It quoted Monday Ali Jaidah, managing director of the state-owned Qatar General Petroleum Corporation, as saying that commercial use of Qatar's northwest "Doha" gasfield was being assessed in a viability study.

Qatar, he said, has been negotiating possible joint ventures with a number of unnamed major international firms to develop the Doha gasfield, believed to be among the six biggest in the world.

"Foreign partners will be allowed about 20 per cent stake," in the planned liquid natural gas venture, said Jaidah.

A fully integrated gas project will become functional, he said, with an estimated \$1.5 billion for drilling and production, \$2 billion for plant construction and \$500 million for onshore facilities and related spinoff projects.

Industry sources said a feasibility study of the project had been completed, and a techno-economic study would be ready by the end of January.

"We have started by completing the feasibility study and requesting offers from potential partners and consultants," Jaidah told *Gulf Times*. "We are identifying basic policies and concepts and talking on joint operations and management. Our target is to deliver gas onshore for internal consumption and we hope to begin export to a year or two."

"Any company wanting to become a partner will have to share the cost of the project," said Jaidah.

He said that Qatar wants to decrease its reliance on crude oil, but "does not intend to replace oil with gas as the main source of revenue — at least not in the initial stage."

PORTS AUTHORITY

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SHIPS MOVEMENTS UP TO 0700 HOURS ON THE 20TH JANUARY, 1981 — 14TH R. AWAL, 1401

VESSELS DISCHARGING:

Berth	Vessel	Agent	Cargo	Date
2	Jyojin Maru	Alireza	Vehicles	19-1-81
4	Dena	Alwani	Rice/Potatoes/Onions	17-1-81
4	Dora	Star	Durra	16-1-81
5	Ikarian Reefer	O.C.E.	Reefer	16-1-81
5	Sam Houston Barges	Kanoo	General	15-1-81
6	Arab Dabbar	S.C.S.A.	Bagged Sorghum	19-1-81
7	Ravil Kotary	Bamaodah	Reefer	15-1-81
8	Banglar Maya	Kanoo	Bagged Rice/Tyres	17-1-81
10	Eastern Academy	S.A.M.A.	Ctns/Gen/Steel	17-1-81
11	Sau Dimitris	A. E. T.	General	17-1-81
12	Lord Byron	HSSC	Durra/Seed	15-1-81
18	Adhilles	Rolaco	Bulk Cement	9-1-81
20	Lantao Island	Alatas	Ctns/Rebar/General	18-1-81
21	Maldivo Image	O. Trade	Timber/Rice/Grain	19-1-81
22	Banglar Mita	Alasada	Steel/Pipes/Gen	19-1-81
25	Davao	O.C.E.	Reefer	19-1-81
26	Al Solabiab	Kanoo	Cement/Steel/Ctns	17-1-81
28	Hamilat Arabia	S.N.L.	General/Containers	19-1-81
29	Myombe	O.C.E.	Reefer	15-1-81
30	Med Fozzer	O.C.E.	Reefer	15-1-81
31	Hilo Speedster	Star	Reefer	9-1-81
38	K E A	Najd	Loading Cars/Gen	16-1-81
39	New Dragon	Ori	General/Containers	19-1-81
40	Papagayo Universal	Star	Reefer	15-1-81
41	I O N	Alireza	Ctns/Gen/Mob. Plant	18-1-81
42	Goodway	SCSA	Bagged Barley/Wheat	18-1-81

DAMMAM PORT MANAGEMENT

Ship movements up to 0700 hours on 14.3.1401/20.1.81 — changes past 24 hours

1. VESSELS DISCHARGING:

Berth	Ship	Agent	Cargo	Date
2	Mniivdkivnd call	S E A	Loading Scrap	17.1.81
3	May Star	Gossabi	Bagged Cement	18.1.81
4	Ionnis Mafnos	Kanoo	Ctns/Rice	12.12.80
10	Thalassinis AVG1	Alasada	Steel Pipes/Sodaash	18.1.81
11	Assr	A E T	Bagged Barley	18.1.81
13	Genista	Alasada	Cement/Gen/Conts	18.1.81
24	Nedloyd Veindiamen	Kanoo	Cars	20.1.81
34	Panagitis Louion	Gossabi	General	18.1.81
36	World Youth (D.B.)	S M C	Bulk Cement	11.1.81
37	New Spring (D.B.)	Alireza	Bulk Cement	18.1.81
38	Diamond Peace (D.B.)	Globe	Bulk Cement	18.1.81

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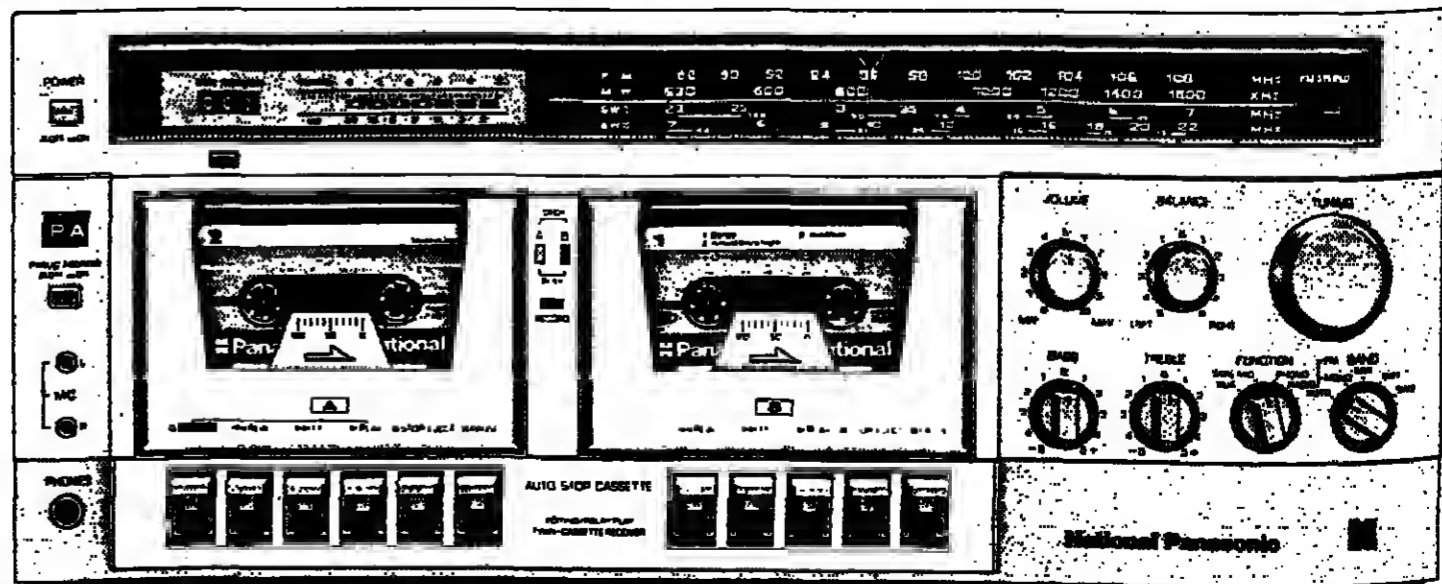
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This remarkable audio instrument combines all the features and enjoyment of two cassette decks, a powerful amplifier, a 4-band radio and a public address system in a package no larger than a normal receiver. It's the answer to the recording fan's dreams and ideal for commercial use. And, since it's built by National, you can be sure of the sound and equally sure of the quality.

*SG-3300S with silver colored cabinetry and speaker
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Twin-Cassette Receiver

1 Editing	2 Continuous play	3 Simultaneous play	4 Rewinder	5 Mix recording with microphone
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Handwritten signature in Arabic script.

Facing stagflation

Economists differ on Reagan's plan

WASHINGTON, Jan. 20 (R) — Ronald Reagan faces some of the most serious economic problems to confront a president in modern times, and experts are sharply divided over whether his remedies will cure the sickness or make it worse.

Economists believe there is certainly an element of risk in the policies outlined in the Reagan election campaign, so the details will be watched intently as they unfold.

Inflation, the number one problem, is about 13 per cent annually. Unemployment remains stubbornly high at 7.4 per cent, interest rates for banks' best customers are about 20 per cent.

Business production is slack, imports outnumber exports, the federal budget is out of balance for the 12th year, the car industry is in crisis, with Chrysler on the edge of disaster, and the steel and construction industries are depressed.

All this adds up to what economists call stagflation, sluggish growth and high inflation at the same time. Reagan, who has called the economic crisis his greatest challenge, has set a course he says will reverse the situation.

He has promised to balance the budget, cut taxes, slash government expenditure, cut federal red tape, which he says hampers industry, promote business productivity and raise defense spending, all at the same time.

Reagan aides say the specific administration blueprint will be presented to Congress in a few weeks. It will not be a single proposal, they say, but a series of economic remedies.

Reagan is hoping for legislative action within the next 100 days, the so-called honeymoon period incoming presidents receive from Congress.

Congress, for its part, is promising cooperation. For the first time in 25 years, the Democrats do not control both the Senate and House of Representatives.

Republicans now control the Senate, while Democrats still have the majority in the House of Representatives.

Egypt repays loan to West German firm

FRANKFURT, Jan. 20 (R) — Egypt has repaid in full the outstanding 70 million marks (\$35 million) of a loan from Kreditanstalt fuer Wiederaufbau that had been due on Jan. 9, a Kreditanstalt spokesman said.

The repayment had been ordered Saturday after discussions between the West German financial institution and the Egyptian Central Bank in Cairo, he said.

The bank had decided to settle the claim in full, rather than continue negotiations for a prolongation, after press reports that it was late with its repayment, he said.

Kreditanstalt had denied Friday reports that Egypt had "defaulted" on the 130-million mark credit originally extended.

Norway orders oil tanker to keep off Durban port

OSLO, Jan. 20 (R) — A Norwegian tanker carrying 125,000 tons of crude oil from the North Sea has been ordered not to enter a South African port and unload its cargo after pressure from the Norwegian government, shipping sources here said.

The Lorentzen Shipping Company, owners of the tanker *Jane Bore*, ordered the ship to wait outside Durban harbor for further instructions, the sources indicated.

Norway's Foreign Minister Knut Frydenlund Sunday ordered a full inquiry into how the oil was sold by the Petrofina Company to an unnamed buyer in apparent violation of

house, but there are more conservatives in tune with Reagan's economic views there this year.

Nevertheless, there is no guarantee of success. Congress often refuses to toe the administration line. President Carter found that out, encountering difficulty after difficulty in his four years of working with Congress.

Reagan has tried to prevent that situation. He has made several trips to Capitol Hill to woo the legislators and also reappointed popular former Democratic Senate leader Mike Mansfield to another term as ambassador to Japan, which was baited by Democrats as a political coup.

But Reagan's promise to revive the economy through budget cuts and tax reductions of 10 per cent a year for the next three years is being lanked on unfavorably in some quarters.

Some Congressmen fear he will try to slash certain schemes or possibly hurt aid programs to the poor in his drive to balance the budget.

However, Reagan's advisers have already conceded that balancing the budget may be easier said than done.

Reagan's original goal to balance the budget by 1983, but Treasury Secretary-designate Donald Regan has ruled that out. He has said that with luck and with no international or domestic crises, the administration could achieve its budget target by 1984.

Reagan's other chief economic lieutenant will be David Stockman, who views the fight against inflation as largely one of psychological warfare.

Stockman, a conservative former Congressman, has called for a long-range program to convince people that the government means business in balancing the budget.

He blames big government deficits for inflation and high interest rates. Cutting the deficit coupled with tax cuts to encourage investment and saving will help the economy generally and reduce unemployment, Stockman says.

According to more traditional economic thinking, tax cuts also reduce government revenue and, therefore, add to the deficit, unless there are matching government spending cuts. A big deficit fuels inflation.

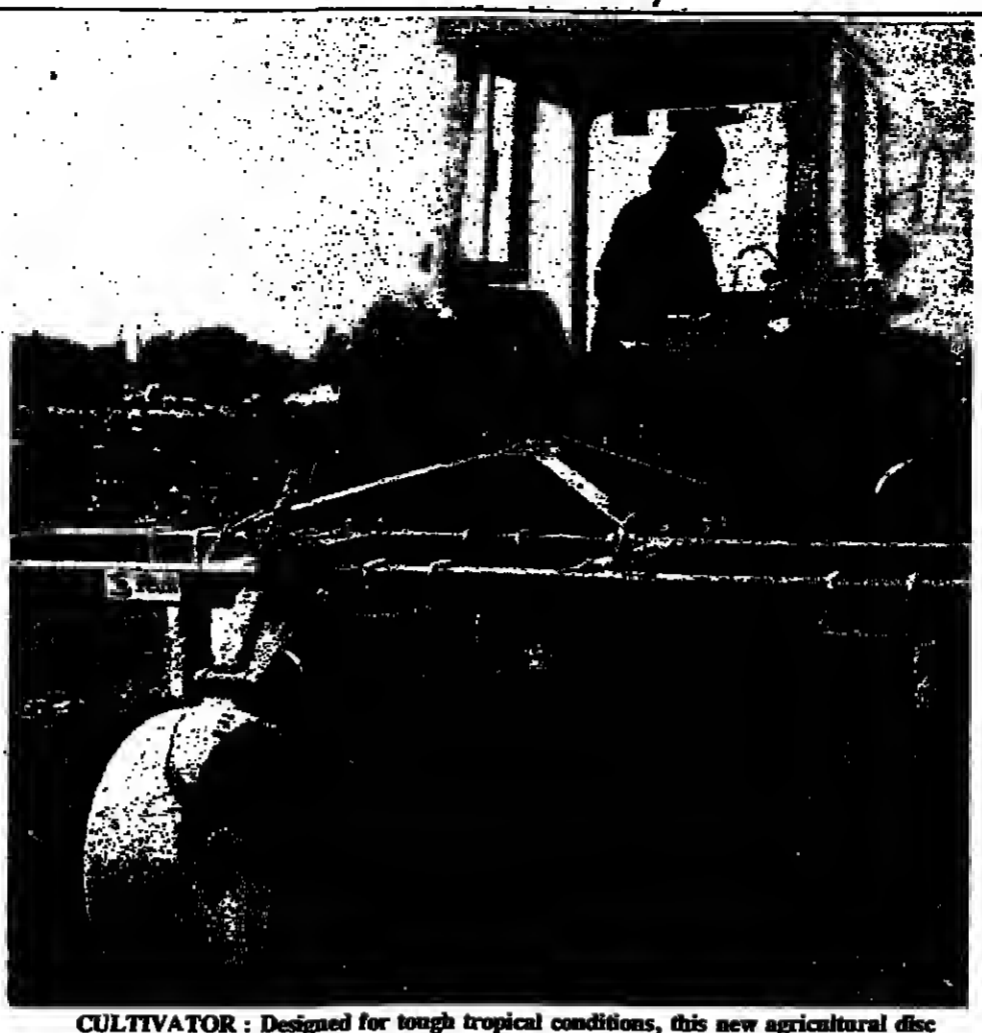
The federal budget submitted by President Carter last week proposed a federal deficit of \$27.3 billion for fiscal 1982, which starts on October 1. This will follow a \$55 billion deficit for the current fiscal year.

Stockman said, however, that the 1982 Carter deficit is inflated, and assumes a 10-cent-a-gallon (3.7 liters) tax on petrol. Both the Reagan administration and Congress are opposed to any increase in petrol or oil taxes. Without the tax, the deficit could be at least \$12 billion higher.

guarantees that oil companies would not sell Norwegian North Sea oil to South Africa. The matter was being discussed by government officials Monday, an oil ministry spokesman said.

Petrofina Company spokesmen Monday would not name the buyer, but claimed they had adhered strictly to Norwegian rules.

They said official documents showed the cargo to have been destined for Curaçao and not South Africa. They said they only learned Monday that the oil had been sold to a South African buyer and that the destination of the tanker had been altered to Durban.



CULTIVATOR: Designed for tough tropical conditions, this new agricultural disc ridger can be used for preparing the ground for sugar cane, ground nuts, cassava and other crops. The tractor-drawn Petit Disc Ridger, developed as a result of research studies in Africa and other tropical regions, comes in two versions — a two-row model with four discs and a three-row model with six discs.

Bahrain enters second decade of economic diversification

MANAMA, Jan. 20 (AP) — Fulfilling its slogan of "wealth without oil," Bahrain has completed a decade of successful economic diversification. Neighboring Gulf states have been encouraging this pattern, while themselves urging programs of gradually diminishing reliance on crude oil.

Bahrain, a tiny island state half-way down the Gulf, was the first country in the region to taste the pains of having to watch oil revenues decline. Today, it produces crude oil at a slim daily average rate of 50,000 barrels.

As the diversification program enters its second decade this year, development planners say they are accentuating the country's most valuable resources — manpower.

This archipelago of low-lying islands 24 km from the Saudi Arabian coast, with 300,000 inhabitants, has retained for itself a degree of wealth despite oil scarcity.

Small-scale industries, excellent telecommunications and a free-wheeling offshore banking zone have been Bahrain's resilient reaction to the dismal portents — first felt in 1970 — that its oil reserves would dry up.

During the past three years, industrial development stressed aluminium operations, two free trade zones at Mina Salman and North Sitra, a gas gathering complex at Jebel Dukhan, the Bahrain Light Industries Company (BLIC), and the Arab Ship Repair Yard (ASRY) drydock.

Lately, Bahraini planners have sought Saudi Arabian and Kuwaiti help to expand into petrochemicals, and iron and steel pelletization.

With Saudi Arabian financing, Bahrain is to build a 25-kilometer causeway across the water gap with mainland Saudi Arabia, costing the equivalent of \$12 billion. The project has been offered for international bidding, and contract awarding is expected to be completed later this year.

The causeway will expand trade and tourism between Bahrain, the Levant and Europe. "Bahrain is bracing itself to become the center of a services-oriented economy for the whole Gulf region," one Western banker said. "With 59 OBUS (offshore banking units) already operating here, the country will soon become a Singapore of the Arab World. It also stands to become a playground for Arab tourists."

The OBUS reporting to the Bahrain Monetary Agency have shown total assets of \$34.9 billion in November, up from \$33.6 billion in October. Banking sources said the growing assets are indicative of a degree of economic maturity that has helped Bahrain to remain little affected by the Iraq-Iran war.

The growth trend is graphically evident in the increase of assets from \$27.2 billion reported at the end of 1979. By definition, offshore banking is a method of operating non-resident accounts free from tax and exempt from normal reserve ratios and insurance requirements.

The OBUS system was introduced in 1975 when Lebanon lost its status as the center of Middle East banking.

"It is now realistic to compare Bahrain as a financial center with London, New York, Singapore and Tokyo," a banking magazine here commented.

To prepare for the upsurge in business dealings, Bahrain developed abundant hotel accommodations and telecommunications, and an army of skilled clerical workers, lawyers, accountants and printers.

Saudi Arabia has been actively supporting the OBUS structure in Bahrain, considering it advantageous as a conduit for surplus oil revenues, banking sources said.

With freedom from exchange control and no direct taxation on most transactions, the outlook for the country's financial operations is generally judged bright. Bahrain's geographical location — its longitude — allows financial dealers to handle closing times in Tokyo and opening times in New York, being in the time zone between the Far East and Europe.

Bahrain has recently been taking action to turn its free banking zone into an international bullion market, a move encouraged by a recent influx of commodity broking firms.

Bahrain's American-educated Minister of Development and Industry, Youssef Shirawi, is credited for most of the country's success in emerging from the oil era into broader realms of economic diversification.

He said the next step must be one of economic integration among the nine coun-

tries of the Gulf region. Shirawi insisted that the Gulf countries, in their quest for advanced industrialization, must shun certain industries which, if launched here, would not be internationally competitive. These besaid, include the auto and watch industries, and others that require vast quantities of fresh water.

"In my opinion, Gulf industrial integration should be aimed at oil-based industries," he said. "Industries that use oil and gas as fuel and feedstock, such as petrochemicals, aluminium and chemical fertilizers are our best bet."

He voiced confidence that the Gulf countries can step into world markets and compete with these industries.

Alluding to the sizable expatriate manpower in the various Gulf countries, Shirawi said there must be a degree of homogeneity throughout the whole region because "it is not feasible for one country to step into the 21st century with fully computerized industries while others rely heavily on imported manpower."

With its large pool of skilled labor and geographic position, Bahrain has been trying to develop itself as the nucleus of the upper Gulf industrial expansion.

U.S. aide outlines steps to curb foreign car sales

WASHINGTON, Jan. 20 (LAT) — Neil Goldschmidt, the outgoing secretary of transportation has called for a three-pronged offensive against the rising tide of foreign automobile sales, including a cutback in Japanese imports, increased U.S. productivity and restraint on union wage demands within the U.S. industry.

Goldschmidt based his recommendations on a 100-page department of transportation report on the auto industry that had been ordered by congress as part of the legislation authorizing the \$1.5-billion Chrysler loan guarantee. The report was sent to President Carter.

Goldschmidt conceded at a news conference that, for all practical purposes, he was making recommendations to the incoming Reagan administration. But he said he was pleased with the "energetic level of interest," shown in the plan by Andrew L. Lewis Jr, the secretary of transportation-designate.

The report depicted the American automobile industry as an endangered species, beset by foreign competitors — particularly Japanese — who enjoy cost advantages over American manufacturers.

The report said that Japanese pay \$1,000 to \$1,500 less than American manufacturers to produce each car because of lower wages, greater productivity, and favorable government regulations.

Submitting his recommendations to Carter in a letter, Goldschmidt said: "one key goal in the next five years must be the elimination of that cost advantage." Toward that end, he urged the government to "negotiate an import restraint agreement with the Japanese."

Asked at the news conference how long the agreement should last, Goldschmidt backed away from the five-year figure, saying, "It's not how long but how deep the restraints

run," meaning how far back in time negotiators should go to find a year with an acceptable level of imports.

In 1980, the Japanese sold 1.8 million cars in the United States, out of a total sale of 2.3 million foreign autos. Foreign car sales accounted for more than 25 per cent of all sales in this country last year, when the U.S. auto industry had its worst year since 1961. With losses totaling \$4 billion for the industry U.S. automakers laid off a third of their employees.

Goldschmidt said he believes that the situation will become worse — threatening national security — unless government, management and labor join forces.

In addition to negotiating with Japan, he said that the government should give tax breaks to the automobile industry and back away from industry regulations such as those mandating greater fuel economy.

Labor, the second unit in Goldschmidt's three-front offensive, should "agree to a wage strategy designed to close the differential with Japan," Goldschmidt said in his letter to the president.

"Our analysis indicates that every one dollar per hour decrease or deferral of an increase in labor costs would roughly translate to a \$1 billion saving for the auto manufacturers," the secretary said.

As the third component in the industry's comeback effort, Goldschmidt said that management should "be prepared to compensate labor for its wage restraint," by offering incentives such as profit sharing.

Roger B. Smith, chairman of General Motors, was asked about Goldschmidt's proposals after a National Press Club speech Tuesday. Smith replied that limiting imports would be in the self-interest of Japanese manufacturers. Japanese automakers are now "imprudent in their trade practices," he said.

BRIEFS

RIO DE JANEIRO, (AFP) — Volkswagen in Brazil has sacked 3,750 workers at its Sao Paulo plants and could offload another 2,000 shortly, the company said. Before the sackings it employed 47,000 people. Stocks have built up to worrying levels and the company has trimmed its output. Volkswagen said its main problem was a drop in the buying power of the lower middle class.

GEORGETOWN, (AFP) — President Forbes Burnham has confirmed that Trinidad and Tobago have given Guyana a loan of \$40 million which can be used to pay mainly for petroleum. He also thanked Venezuela for its \$15 million loan.

COLOMBO, (AFP) — The government has announced increases in the prices of petroleum products to cover recent hikes imposed by oil producing countries. National Petroleum Corporation Chairman Dham Wimalasena said Monday prices had to be revised as Sri Lanka's main crude supplier, Saudi Arabia, had increased prices twice since last June.

MALAWI, (AP) — India has loaned Malawi \$17.5 million to improve the water supply on the capital of Lilongwe which has suffered acute shortages for several months, it was reported Monday. Hundreds of residents were forced to walk three kilometers bay to fetch water in buckets.

OTTAWA, (AFP) — Ronald Reagan's idea for a North American "common market" is a non-runner, according to outgoing U.S. Ambassador Kenneth Curtis here. Curtis said Canada and Mexico had coolly reacted to the proposal.

LONDON, — Extensive short-time working continued in Britain's cotton and allied textile industry in November and the rate of production declined further, the latest figures have revealed.

ROME: The deficit in the Italian balance of payments reached 6,558,000 million lira (\$6,900 million) in 1980, tentative figures showed. During 1979, the balance of payments showed a surplus of 1,824,000 million lira (\$1,920 million).

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England rugby star retires

LONDON, Jan. 20 (AFP) — England international prop Fran Cotton announced his retirement Monday two days after playing against Wales at Cardiff in the opening five nations match of the season.

The 33-year-old Sale strongman was forced to leave the field after only 15 minutes on Saturday when he pulled a hamstring. England eventually lost 18-19.

Cotton's international career began in 1971. He was thought to have suffered a heart-attack during a match for the Lions in South Africa last summer, but it was later diagnosed as an infection.

Cotton is the third member of England's Grand Slam pack to have retired, wing forwards Tony Neary and Roger Uttley being the others.

Meanwhile, Wimbledon are the latest soccer club to inquire about joining the Rugby League. David Howes of the Rugby League said Monday night "We have had an initial enquiry from Ron Noades, the Wimbledon chairman, but it is not a formal application. We have sent them a dossier on how to go about forming a Rugby League Club."



IVAN LENDL... under a spotlight

Players demand a change in format

NEW YORK, Jan. 20 (R) — Having retained his Masters tennis title on Sunday Bjorn of Sweden left for his Monaco home Monday with \$100,000 under his belt and the sport itself under a cloud. This year's event saw a growing crescendo of cries for a change in the round-robin format of the competition, and leading the call is Borg himself.

"I think it should be an elimination tournament and I think they have to find a different way", he said after criticizing the fact that a player can lose a match and still win the title.

Whether or not anyone here deliberately loses a match, the event demonstrated again that the format can lead to controversy and listless play by participants. For the critics, the main target was 20-year-old Ivan Lendl of Czechoslovakia.

While he reached the final, where he lost to Borg in three straight sets, Lendl was under a spotlight as a result of an earlier performance against American Jimmy Connors.

As has happened in the eight-man tournament in the past, Lendl appeared well below usual form to lose the second-set of his final round-robin match after playing brilliantly and losing the first-set tie-breaker.

By losing, Lendl, winner of seven Grand Prix events last year, avoided meeting Borg in Saturday's semi-finals. Instead he played American Gene Mayer, winning in two sets

to gain the final and, eventually, the \$64,000 runner-up prize.

Under the round-robin format, the two top finishers in each group qualify for the semi-finals, with the leader in each group meeting the second-place finisher in the other group. Though Lendl insisted he had tried to beat Connors, his desultory play in the second set evoked memories of a strange turn of events at the same stage of the Masters three years ago.

Then, Guillermo Vilas of Argentina, like Lendl this year already assured of a berth in the semi-finals, defaulted his final round-robin match on the grounds of illness, with this Vilas put himself into the position of not having to play Borg if the Swede won his match that same day.

In what many regard as a classic case of one-upmanship, Borg also reported sick later the same day to default, setting up a semi-final match the next day against Vilas, which Borg won easily.

Already guaranteed of a semi-final berth after edging McEnroe in three sets the previous night, Borg lacked fire and resolve as he was routed by Mayer that afternoon. McEnroe, already out of the title hunt after a surprising first match upset by Mayer, was crushed by Argentine Jose Luis Clerc.

Even Borg hinted following his victory over Lendl in the final that he might have

raised his game to a higher level against Mayer had the match been meaningful. "I was very tired against Mayer, and this was the final," he said with a smile.

Though Lendl was criticized by many and called 'chicken' by Connors, Borg, who did not see the match in question, defended Lendl. "They say some players are 'tanking' matches. But I think they try their best. It is the format that needs changing," Borg said.

Even Borg conceded, however, that is more easily said than done. Suggestions have been made that the Masters adopt the women's championship format, wherein a player is eliminated after losing two matches, or increase the size of the field from eight to 16 and make it a single-elimination event.

But the organizers have so far resisted those proposals since, under the present format, they are able to schedule and advertise all of the 12 round-robin matches well in advance.

On the plus side the tournament, which brought together the top eight money winners on the 1980 Grand Prix circuit, produced two memorable matches those between Borg and McEnroe and between Borg and Connors in the semi-finals. Borg edged Connors 4-6, 7-6, 6-3. It also proved that Lendl, who beat American Harold Solomon, Vilas and Mayer, clearly belongs in the top rank and may soon be moving higher than his current sixth place ranking.



BJORN BORG... leads the cry.

THE HAGUE, Jan. 20 (R) — The Netherlands, who introduced total football to the world in the 1970s, are now in almost total disarray and the search is on for a superman to pull the national team out of a slump.

The resignation of coach Jan Zwartkruis is the latest instalment in a chapter of misfortunes which have befallen the Dutch, World Cup runners-up in 1974 and 1978. Beaten for all the main prizes in last summer's European Championships and without a win in the six-nation Gold Cup tournament in Uruguay, they do not even look like qualifying for the 1982 World Cup finals in Spain.

Zwartkruis, who had been at the helm for almost four years, quit following home press reports criticising Dutch performances in the Montevideo tournament, staged to mark the 50th anniversary of the World Cup. The Netherlands lost 2-0 to eventual winners Uruguay and drew 1-1 with Italy.

Many commentators saw the manager's resignation as more than mere disgruntlement with a hostile press. They said it also reflected gloom about the side's chances of

Masters hunt for soccer superman

future success after a year in which they won only one match out of nine.

The harsh reality is that the Dutch have lost the stars who helped them come close to winning soccer's top title in Munich. In 1974, when they lost 2-1 to West Germany in the finals and again four years later when another host side, Argentina, beat them 3-1 after extra time.

"We just don't have the class any more so any Dutch coach has a tremendously difficult job. You have to sympathize with Zwartkruis," skipper Jan Peters of Alkmaar said. In the 1970s, the Netherlands thrilled crowds round the world with their own concept of fast-flowing total football. Under this revolutionary system all outfield players were capable of adopting any role, regardless of their position.

Their stars included Johan Neeskens, Piet Keizer, Rob Rensenbrink, Wim Janse,

Johnny Rep and the inspirational Johan Cruyff. Most of the team's top personalities, now in their mid-30s, crossed the Atlantic to earn the high wages offered in the North American soccer league. Significantly, the man at the top of the wanted list to take over Zwartkruis' highly demanding post is Rinus Michels, the coach most closely associated with the total football ideal.

Michels, who took over as trainer of West German First Division side Cologne at the start of the current season, masterminded the Dutch World Cup campaign in 1974 and led Ajax Amsterdam to victory in the European Cup — one of a series of Dutch successes at club level in the past decade. Michels has an almost symbiotic relationship with Cruyff. He took the superstar, three times voted European footballer of the year, with him when he moved from Ajax to manage Barcelona and again when he went to the United States to

coach the Los Angeles Aztecs.

Dutch Soccer Association (KNVB) officials are open admirers of Michels and some think he may be the strong figure needed to repair the country's tarnished soccer image. However, they stress that Cologne would be reluctant to part with him after such a short period. An idea being mooted at KNVB headquarters in Zeist is that Michels might take control of the team simply for the Netherlands' remaining World Cup qualifying matches. But the issue of Zwartkruis' successor is not likely to be discussed by the Association's executive until the end of this month.

Asked about the chances of Michels' again talking on the Dutch post, a KNVB spokesman said: "We would like to have him but we cannot pay him the salary he is earning with Cologne." The implication appeared to be that an appeal could be made to the 52 year-

old Dutchman's patriotism. Cruyff, 33, has been helping Ajax as assistant trainer and a dream of Dutch fans is to see him renewing his partnership with Michels in charge of the national side. Whoever takes the job will need to be special. The teams are desperate after losing their opening World Cup qualifying matches — 2-1 Ireland in Dublin last September and 1-0 to Belgium in Brussels in November.

The Netherlands' next qualifying game is against Cyprus in the northern Dutch town of Groningen on February 22. This will be followed by a home tie against France on March 25, which the Dutch must win to retain a realistic chance of reaching the 1982 finals.

Lacking the stars, flair and skills of old, the Dutch need an influential leader. One of the criticisms made of the amiable Zwartkruis was that he was not tough enough to handle the often quarrelsome players. The Rotterdam paper *Algemeen dagblad* summed up the country's requirement by commenting: "The man who follows Zwartkruis must be an armour-plated class coach with the powers of a magician."

Kohde rallies to beat Bohm

TORONTO, Canada Jan. 20 (AP) — Claudia Kohde, 17, of West Germany rallied in the final set to beat Nina Bohm of Sweden 4-6, 6-2, 7-5 and win the singles title at the \$30,000 Avon Futures Tennis Tournament Sunday.

In a thrilling doubles final, Canadian Marjorie Blackwood and Susan Leo of Australia outlasted the West German duo of Kohde and Eva Pfaff, 5-7, 7-6 (7-4), 7-6 (7-4).

After splitting the first two sets in the singles final, Bohm took a 3-0 lead in the deciding set when the West German could not hold her serve in the first and third games.

However, Kohde broke Bohm's serve in the fourth game and held her serve for the rest of the set, while breaking Bohm's serve in the 10th and 12th games.

Meanwhile, American Victor Amaya will replace Gene Mayer (world number 5) in the Invitation Tennis Tournament to be held in Switzerland this week. Mayer, who was to be the star here, fresh from the U.S. Masters, forfeited and furnished a medical certificate, the organizers said. The eight players in the tournament will be: Yellow Group: Victor Amaya (USA), Heinz Gunthardt (SWI), Mel Purcell (USA), Tom Okker (Neth) Blue Group: Roscoe Tanner (USA), Yaoocik Noah (Fra), Adriano Panatta (Ita), Vince Van Patten (USA).

Kenya to host ECAA meet

NAIROBI, Jan. 20 (R) — The annual East and Central Africa Athletics Championships, which were not held last year, will be staged in Kenya in July this year, officials said here Monday.

According to the officials, Kenya offered to hold the event at a weekend meeting here of the member countries of the competition's governing body, the East and Central Africa Amateur Athletic Board. Political and financial problems forced Uganda to cancel plans to organize last year's competition and failure by a majority of member countries to confirm participation when Egypt belatedly took the responsibility caused the championships to be called off.

The ECAA meeting also decided that countries participating in the championships will start subsidising their accommodation expenses, which hosts have previously

borne. Seychelles formally applied for membership to the board at the same meeting, which was attended by delegates from Kenya, Tanzania, Uganda, Egypt, Zambia, Zanzibar, Ethiopia and Malawi.

Seychelles, the Africa Amateur Athletic Confederation and the Italian Athletic Board — hosts to this year's World Cup competition — sent observers to the meeting.

Meanwhile, a special conference is to be held in Nairobi on September 24-25 to discuss how to protect the Olympic symbol from commercial exploitation by bodies other than the International Olympic Committee (IOC), a United Nations sub-committee report has revealed.

The IOC is upset by the use of the symbol — five interlocking rings — by a number of sportswear and equipment firms.

Delhi Test ends in tame draw

NEW DELHI, Jan. 20 (AP) — The first three-day women's cricket Test between India and England ended in a draw here Monday. England, which resumed at 83 for two wickets, was all out for 185, setting the home team a victory target of 130 in 106 minutes.

The highlight of the day's play was a flawless, unbeaten 100 by Janette Brittin who top-scored for the visitors. She got useful support from skipper Jill Powell who hit 39.

India lost quick wickets in its bid for victory and at close had scored 102 for seven wickets.

Scores: England 113 and 185. India 169 and 102 for seven wickets.

BRIEFS

LONDON, (AFP) — Britain is sending three-man teams to Maratons in Beppu, Japan on February 1, and Auckland, New Zealand, on February 8. Dave Black, Ray and Graham Laing will be running in Beppu, while Dave Cannon, Trevor Wright and John Graham go to Auckland.

LOS ANGELES, (R) — Former world heavyweight boxing champion Muhammad Ali pulled a man, apparently intending to commit suicide, from a ledge on the ninth floor of a building Monday night after talking to him for half an hour, police said. Ali saved the scene, Los Angeles police sergeant Bruce Hagerty reported. Ali was telephoned at his home here by a friend who had learned the 21-year-old man, who was not identified, was standing on the ledge of a stairwell in the building and asking to see the former champion.

DIGNE, French Alps, (AFP) — The bodies of three French skiers who were killed in an avalanche near here Sunday, were discovered two meters in snow Monday, a search for the skiers began after their families

raised the alarm when they failed to return Sunday evening.

PARIS, (AFP) — Japan and France shared the honors on the second and final day of the Paris Open Judo Tournament here Sunday. Both countries won two classes to complete their domination, Japan winning two and France one class on Saturday.

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extra-time goal

Wrexham edges out holders West Ham

Wrexham, Jan. 20 (R) — Defending Football Association Cup champions Wrexham edged out of this season's cup by losing 1-0 to Wrexham in the Monday night match.

Wrexham was the second match in their third round tie and had been edged twice last week because of bad weather in the Welsh town.

McNeill scored the only goal after 14 minutes of extra time. The teams had drawn their first meeting and 0-0 in their second.

Manager Brian Clough has also lost Ian Bowyer and striker Garfirthles from the side which won the European Cup for the second successive year in Madrid last June and has sought Swiss international Raimondo Pooto and striker Peter Ward from Brighton as replacements.

Meanwhile, Ray Bloye opened the way for ground sharing at Selhurst Park by selling his £600,000 Crystal Palace interest to a consortium headed by Ron Hoades, chairman of Fourth Division, Wimbledon. Both clubs are in South London.

Bloye will remain as chairman of Palace with the ambitious Hoades becoming a director of the First Division Club. "What we are talking about is two clubs sharing good facilities in one stadium", said Hoades. "Selhurst Park is a big city club. The potential is enormous. Their catchment area must be one of the best in the country, Hoades added.

"One of the advantages of sharing a ground is that you have two teams operating on one side of roofing costs, but the clubs must be controlled independently," emphasized Hoades.

In Zele, the Dutch plan to launch a new method of deciding which of their sides qualifies for the UEFA Cup next season. Dutch Football Federation president, Eric Vile said the winning club would receive \$105,000 from the Federation if the new method was not acceptable to the European Football Union.

Under the new formula the 34 days of the Championship would be divided into six periods — five of six matches and one of four matches. Winners of each period would play off in two-leg matches to decide the ultimate winner... Each National Championship would be won as in the past by the club gaining the most points over the season.

Results of weekend matches in the Mexican Soccer Championship:

Corridores	2	Monterrey	1
Cruz Azul	1	Atlas	1
Universidad de Nuevo Leon	2	Adiaste	1
Universidad de Guadalajara	0	Leon	2
Autonomo de Guadalajara	2	Atletico Espanol	1
Puebla	3	Tampico	0
Compostela	0	Toluca	0
America	1	Guadalajara	2
Zacatepec	2	Uruapan	0
Nexa	1	Potosino	3

Wagner Watson semi-finals

Wagner Watson emerged as the man to beat in the Championship Masters Lawn tournament on the second day here. He scored a brilliant 31-22 win over international Keith Poole at the Johannesburg protective do-amen, a Johannesburg protective do-amen manufacturer, gave a polished exhibition to elbow aside Poole's winner of the Sinoles gold medal Johannesburg World Bowls, in 1976. Led a spot in Thursday's semi-finals by wins from as many matches. Overseas players England's Chris Hewitt, Queensland, and Omar Dallah, of Hong Kong, lost to Williams, of New South Wales, 19-31.



TOO GOOD: U.S. star Steve Mahre neatly gets past the gate to win the World Cup Slalom in Bavarian.

Indians score 64-run win Gavaskar returns to form

PORTLAND, Victoria, Jan. 20 (AP) — The touring Indian cricket team defeated a Victorian country side by 64 runs in a one-day 49-over match here Tuesday. The game signalled a return to form for India's master batsman Sunil Gavaskar. He hit 58 off the country eleven's top bowlers before retiring to give the middle order batsmen time at the crease.

India's senior touring officials said they believed the match was a good trial for the second Test against Australia in Adelaide, starting on Friday.

Team manager, Wing Commander Shahid Durrani said: "The team has not been clicking of late and it's very encouraging to see a couple of batsmen get among the runs." One batsman to get runs was big hitting Sandeep Patil. He thrilled the crowd by crashing 62

runs in 34 minutes, his 50 coming in just 30 minutes.

Brief scores: Indians 232 for 7 (Gavaskar 58, Srinivasan 61, S. Patil 62; Davis 2 for 75) Victorian Country 168 (A. Brewster 41; Yograj 3 for 32, D. Doshi 4 for 41).

Meanwhile, Western Australian all-rounder Bruce Yardley replaces Victoria's Shauwgraf in the second Test against India. This is the only change from the team which beat India by an innings in the first Test. The team was announced here Tuesday.

Graf has been suffering from tonsillitis which has affected his recent performances. Yardley took 11 for 98 when Western Australia overwhelmed Tasmania at Devonport, Monday. He howled in front of Test selector Sam Loxton during the game and his skipper Kim Hughes said the off-spinner's performance was the best he had seen from him.

The team is: Greg Chappell (captain) Kim Hughes (vice-captain) Allan Border, John Dyson, Jim Higgs, Rodney Hogg, Dennis Lillee, Rodney Marsh, Len Pascoe Doug Walters, Graeme Wood, and Bruce Yardley. The 12 man will be named on the morning of the match.

The Australian Cricket Board announced that the selectors would ask Len Pascoe, troubled by a knee strain, to pass a fitness test before the game.

BRIEFS

DUBLIN, (AFP) — The president of the Irish Republic Dr. Patrick Hillery has turned down invitation to attend the Ireland France Rugby Union International in Dublin on Feb. 7. Although no official reason has been given for the president's refusal. It is an open secret in Dublin that Dr. Hillery is staying away because of the Irish Rugby Football Union's decision to send a touring team to South Africa later this year.

MANILA, (AFP) — American John Mahaffey will lead 150 players in the four-day Philippine Open Golf Tournament at the Suburban Wack Wack Golf and Country Club from Feb. 19-22. With a cash pot of \$150,000, the Philippine Open will serve as the first-leg of the 1981 Asian Circuit.

KUALA LUMPUR, (AFP) — Five-time Wimbledon champion Bjorn Borg of Sweden and American Vitas Gerulaitis will be pitted against each other in the 555 International Tennis Classic at the Stadium Negara here on Feb. 28.

Swiss girls dominate

CRANS-MONTANA, Switzerland, Jan. 20 (AFP) — Swiss skier Marie Therese Nadig returned to the forefront of Women's World Cup Skiing with a victory in the Downhill here Monday. The woman's World Cup leader, who slumped after two early season wins to lose seven straight races profited from the same sort of soft snow which she triumphed on in the Downhill at Val D'Isere (France) in December. Nadig's other win this season was in the Downhill at Piancavallo (Italy).

Ten hundredths of a second behind her Monday was fellow Swiss Doris de Agostini, winner of the Downhill at Schruns (Austria) on Jan. 12. On Jan. 13, yet another Swiss woman, Erika Hess, won the Special Slalom at Schruns. So the Swiss have now taken the last three World Cup Races in a row.

Nadig looked like a winner at Schruns but she missed the gate on the final turn of the difficult course.

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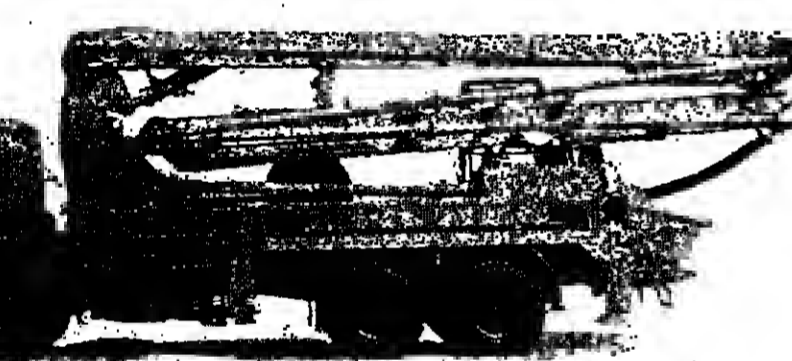
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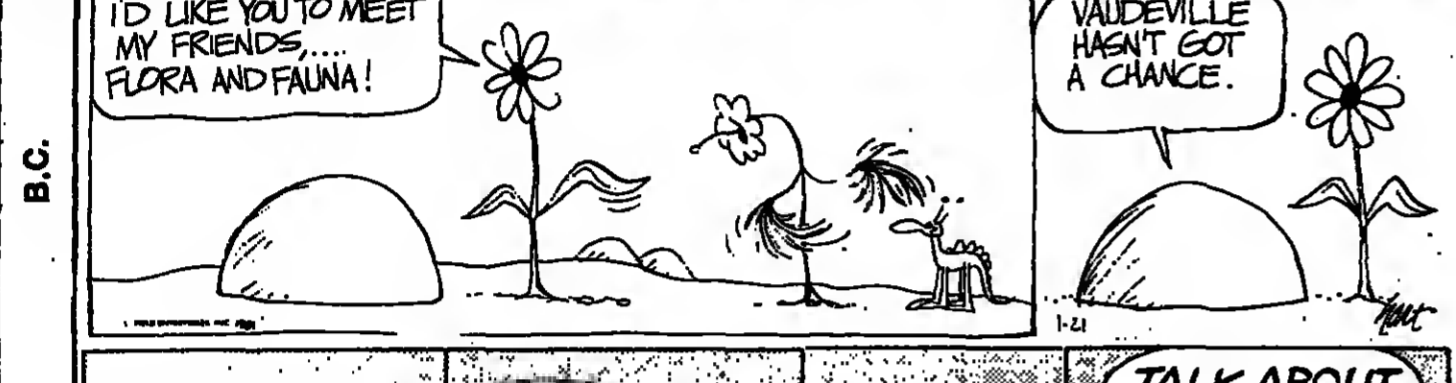
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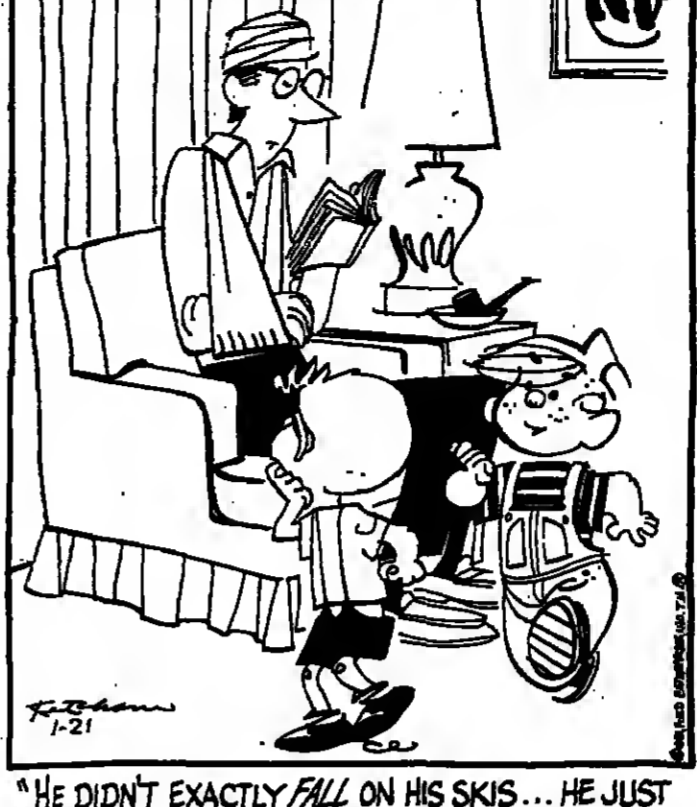
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Contract Bridge: B. Jay Becker Planning the Play of a Hand

South dealer. Neither side vulnerable.

NORTH
♠ J 6 5 2
♥ K 7
♦ 9 6 3
♣ K J 7 6

WEST
♠ 4
♥ J 10 9 6 2
♦ A Q 7
♣ 9 5 4 2

EAST
♠ Q 8 7
♥ Q 8 5 3
♦ J 10 8 4
♣ 10 8

SOUTH
♠ A K 10 9 3
♥ A 4
♦ K 5 2
♣ A Q 3

The bidding:
South West North East
1♣ Pass 2♦ Pass
4♦

Opening lead — jack of hearts.

A fine declarer always forms at least a tentative plan of action before playing a card from dummy. He realizes that he cannot expect good results with a high degree of regularity if he plays each hand on a trick-trick basis, instead of planning the play of the hand as a whole.

Some hands virtually play themselves if declarer lays his plans correctly. For a typical example of this type of thinking, consider the present deal where West leads a heart against four spades.

But let's assume that the worst happens and the finesse loses to West's doubleton queen. Even so, the contract is in no danger, regardless of where the diamond ace is located. West can do no better than return a club, and South disposes of one of his diamond losers on dummy's fourth club.

If declarer fails to take the trump finesse, he unnecessarily jeopardizes the contract. In the actual hand, he would go down one, assuming normal defense.

Your Individual Horoscope Frances Drake

FOR WEDNESDAY, JANUARY 21, 1991

What kind of day will tomorrow be? To find out what the stars say, read the forecast given for your birth sign.

ARIES (Mar. 21 to Apr. 19) ♈
Though you'd like the company of friends now, you're better off going on a special date with a loved one. Enjoy leisure time.

TAURUS (Apr. 20 to May 20) ♉
You could be at odds with family. Be patient though, for the p.m. brings solutions. Work interests compete with home life.

GEMINI (May 21 to June 20) ♊
Misunderstandings are likely in the morning. The p.m. brings a surge of creative energy. Enjoy artistic pursuits or local visits.

CANCER (June 21 to July 22) ♋
Watch disputes about money. The p.m. will bring news that lifts your spirits about finances. Home life is favored now.

LEO (July 23 to Aug. 22) ♌
Disputes are possible with close ties. Later, a special night out together restores harmony. Capitalize on creative skills.

VIRGO (Aug. 23 to Sept. 22) ♍
Problems are possible with co-workers. Evening relaxation puts you in a better mood.

Catch up on neglected responsibilities.

LIBRA (Sept. 23 to Oct. 22) ♎
Watch for early arguments with children or romantic interests. The p.m. brings harmonious trends in social life and love.

SCORPIO (Oct. 23 to Nov. 21) ♏
Don't let family hassles distract you from work. The p.m. brings a chance for financial gain and success in career matters.

SAGITTARIUS (Nov. 22 to Dec. 21) ♐
Don't be sarcastic with friends. Watch ideological disputes. Make travel plans later. Business luck through friends in the p.m.

CAPRICORN (Dec. 22 to Jan. 19) ♑
Financial negotiations could break down, but a lunch allows you to get things back on track. Revise a career plan for success.

AQUARIUS (Jan. 20 to Feb. 18) ♒
Close ties could be in a bad mood. Minimize tension by not arguing back. The p.m. favors distant matters and academic interests.

PISCES (Feb. 19 to Mar. 20) ♓
Undercurrents at work could make you uneasy. Don't argue with co-workers. The p.m. assures progress through work and self-discipline.

Crossword by THOMAS JOSEPH

Crossword
by THOMAS JOSEPH

ACROSS	DOWN
1 Hindu deity	1 All wound up in
5 Semitic language	2 Wrongly
11 Popular old song	3 Either April or May
12 Land of the maple leaf	4 Rainbow
13 Better for a baller	5 Sore
15 Quiet!	6 Crawford film
16 French river	7 Ending for claim
17 Highlander's headgear	8 Facing Mr. Seaver
18 Cut off as fleece	9 Innovative employee
20 "Dreamer"	10 Streetcar driver
21 Meat cut	11 Philippine sumac
22 Philippines	12 overflowing
23 Fill to overflowing	25 Portent
25 Portent	26 Oland film role
26 Oland film role	27 Unfavorable
27 Unfavorable	28 That man
28 That man	29 Plowed field
29 Plowed field	32 Devilkin
32 Devilkin	33 Three, in Pisa
33 Three, in Pisa	34 Greek clan division
34 Greek clan division	36 Dispensed
36 Dispensed	38 Verdi opera
38 Verdi opera	40 Vase handle
40 Vase handle	41 Parlor piece
41 Parlor piece	42 Vegetable

Yesterday's Answer

14 One man, many women	27 Tinker Bell's creator
19 Buck heroine "Lorna"	30 "Lorna"
22 Ladames' love	31 Mistreat
23 Bishop's robe	35 French state
24 Unrestrained	37 Emulated
25 Bombay garb	38 Muffet
26 Bells	38 Pat

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Wavelengths: 16.9, 16.8, 16.7 (meters)

Evening
Frequency: 1770, 2245, 2175 (Muz)
Wavelengths: 16.74, 13.96, 13.79 (meters)

7.45 Religious Program
8.00 NEWS
8.100 Qwells (Devotional Music)
9.00 NEWS
9.10 Music
9.25 Folk Music

4.30 Religious Program
4.45 Request Music
5.15 Women's world
5.45 Cautious Rules
6.00 NEWS
6.15 News Review
6.20 On This Day
6.25 This Week in Pakistan
6.40 Music

arab news CALENDAR

DHAHRAN TV	SAUDI RADIO	VOA	BBC
<p>4:30 Children's Show 5:30 Saturday 6:46 Joy and Redhawk 7:00 World in Action 7:34 Hello, Larry 7:59 Lou Grant 8:47 Channel 3 feature</p> <p>Scene Street No. 1214 Hot Spot Spain vs Manchester City Episode 1 Archer Inferno Lena Francis up Sunshine</p> <p>WEDNESDAY</p> <p>2:00 Opening 2:01 Holy Quran 2:05 Gaze of Guidance 2:10 Key to their Success 2:20 On Islam 2:30 A Chat and a Song</p> <p>3:00 NEWS 3:10 Press Review 3:15 Music 3:20 Science Journal 3:30 A Selection of Music</p> <p>3:40 — 3:50 Cutdown</p>	<p>On FM at 98 Megahertz in J.J. center band On SW at 11,450 kHz in 25 meter band On MW at 1425 Kilohertz in 260 meter band</p> <p>Evening Transmission 9:00 Opening 9:01 Holy Quran 9:05 Gaze of Guidance 9:10 Light Music 9:15 Jeddah Highlights 9:45 Occupations of Was Prophet 10:00 A Viewpoint 10:10 Music 10:15 NEWS 10:25 S.A. — A Daily Chronicle 10:30 Sound Sweet and Savage 11:00 A Leaf from Life's Notebook 11:15 Sound Latin 11:45 On Islam 12:00 Concert Choice 12:43 A Rendezvous with Dreams 01:00 Cutdown</p> <p>Evening Transmission 8:30 Take One 8:45 Sports Round-up 9:00 World News 9:09 News about Britain 9:15 Radio Newsworld 9:30 Framing World 10:00 Outlook News Summary 10:39 Stock Market Report 10:43 Look Ahead 10:45 Utter in Focus 1:09 World Today 1:15 Financial News 1:25 Financial News 1:35 Book Choice 1:40 News Review 1:45 Sports Round-up 2:00 World News 2:09 Commentary 2:15 The Face of England</p>	<p>WEDNESDAY</p> <p>10:30 News Summary 10:30 VOC Magazine 10:35 News 10:40 News 11:00 Special English: News 11:30 Music U.S. (Jazz)</p> <p>VOA WORLD REPORT</p> <p>Middle East 12:00 News summarized 12:05 News summarized 12:10 News summarized 12:15 News summarized 12:20 News summarized 12:25 News summarized 12:30 News summarized 12:35 News summarized 12:40 News summarized 12:45 News summarized</p>	<p>8:00 World News 8:09 Twenty-Four Hours 8:30 News Summary 8:45 World Today 9:00 Newsday 9:30 Opera Star 10:00 World News 10:09 Twenty-Four Hours 10:30 Sarah Ward 10:45 Something to Show You 11:00 World News 11:05 Reflections 11:15 Piano Style 11:30 Britain 1978 12:00 World News 12:09 British Press Review 12:15 World Today 12:20 World News 12:40 Look Ahead 12:45 The Today Myst</p>

DAILY CRYPTOQUOTE - Here's how to work it

AXYDLBAAXE
is LONGFELLOW

One letter simply stands for another. In this sample A is used for the three L's, X for the two O's, etc. Single letters apostrophes, the length and formation of the words are hints. Each day the code letters are different.

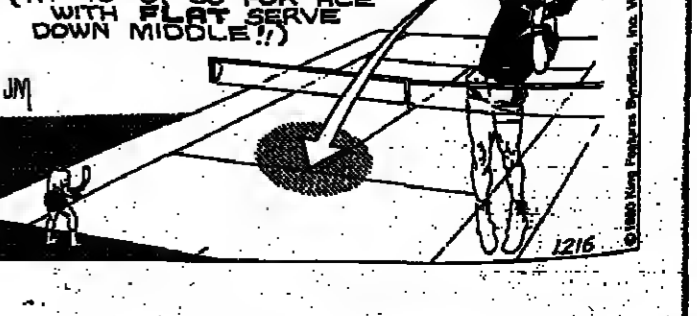
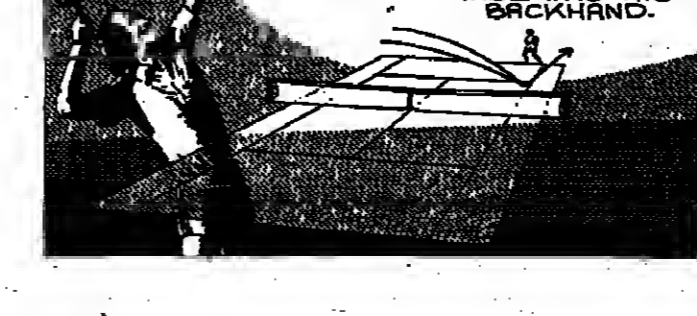
CRYPTOQUOTES

UP CFX U BDGG PH QUZQ-JFHE
VXDAA, U TPHE, EQCX U GUTS
CPW XQCX'V SPHDZQ. - EUGGUCN

E. EHHGGRHXX
Yesterday's Cryptoquote: A STRAIGHT LINE IS SHORTEST IN MORALS AS WELL AS IN GEOMETRY.—RACHEL

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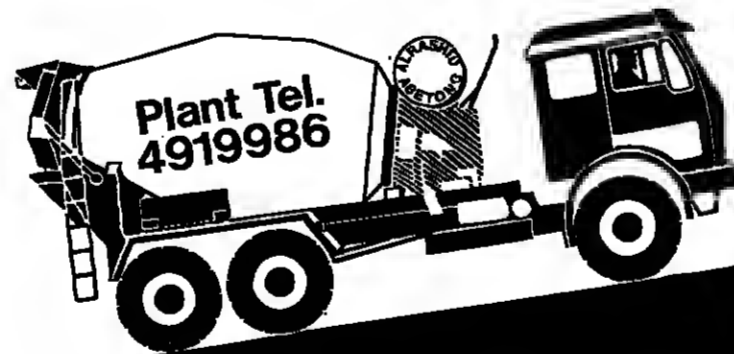
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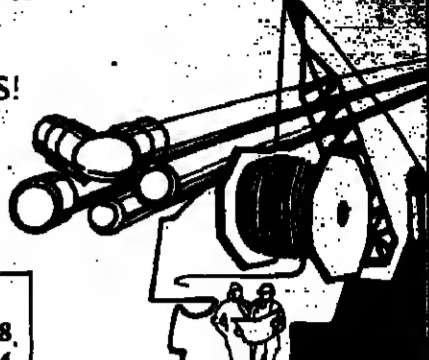
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PAGE 16

McHenry favors M.E. problems resolved by talks

Washington has contacts with Palestinian delegates

By Fouzi Al-Asmar
Washington Bureau

EDITOR'S NOTE: Ambassador Donald McHenry granted his last interview while still in office to Arab News. McHenry stepped down from his post Jan. 20.

QUESTION — Mr. Ambassador, you said the other day that the U.S. should concentrate on the Middle East negotiations, could you elaborate?

McHenry — I mean to say I don't know how clearly — that I would much rather see problems resolved on the basis of negotiations than on the basis of conflict. I'm not naive. I know that the resolution of problems is a result of a multiplicity of forces. These are political, economic, social, even military forces. But one has to hope that there will come a time when the emphasis is on negotiation as opposed to some form of coercion. I think at Camp David one moved to negotiation in some respects, certainly in regard to relations between Egypt and Israel.

The Palestinians didn't participate, and since then, we have not thus far been able to design an agreement which is sufficiently credible that it would be irresistible to the Palestinians to endorse, even though they didn't participate in its formation. When you cannot get the parties themselves to participate in the formulation you are faced with a very difficult job, and obviously, if even using secondary methods you cannot come around to something which approximates the views of the parties, your problem is that much more difficult. And we certainly haven't come around to approximating what the parties can — would — find irresistible, much less come around to the point at which they will participate in the process.

Q — When you say "Palestinians", do you also mean the PLO?

A — Yes, I mean also the PLO, in the sense that the PLO is made up of Palestinians, and in that sense, yes.

Q — Secretary of State Designate Alexander Haig said also the other day that because the U.S. doesn't recognize the PLO doesn't mean that the U.S. shouldn't have any contact with the PLO. Do you consider this a new line different from President Carter's political line?

A — Well, I'm not familiar with what Haig

said, nor with the implications of what he said. As you know, we were not without contact with the PLO, both certainly indirectly and on some matters directly. The question which I think one would come down to is what you mean by involvement with the PLO? Does it mean recognition? Well, I'm not sure that recognition is a question which is involved in this situation. After all, we're not talking about dealing with a state, we're talking about dealing with an organization. Does it mean negotiation? Again, I'm not sure. My own view has been — remains — that you don't solve problems by refusing to talk with those whose contribution to the resolution of the problem is necessary. That includes the PLO.

Q — Can you elaborate what kind direct or indirect contacts with the PLO?

A — Well, when I say contacts with the PLO, obviously any time we talk with any state which has contacts with the PLO, one is engaged in an indirect process, and there are gradations of that. Every time we talk with our colleagues across the street at the U.N., we recognize that our views are very quickly transmitted to the PLO, and I think the PLO recognizes that any time it talks with some of the Arab colleagues, that it's out very long before those views are transmitted back to us.

Q — As a person who has dealt with the Middle East problem, how do you see the future of peace there, and what do you think the role of the U.S. should be?

A — Well, mind you, my own dealings with the Middle East have been something of a bird's eye view. It's not been a comprehensive view in terms of the Middle East. We don't deal here (at the U.N.) with the totality of American policy towards the Middle East.

Now, the fact is, the Middle East came up very frequently in our debates and in subjects which are discussed there. What is the American role? I think that, like it or not, the United States has a role to play in the Middle East, in part because of interests which have in the Arab countries of the area, in part because of our support for the existence and security of Israel, in part because of our mutual interest in the maintenance of international peace and security.

All of these things, in my judgment, lead to a certain level of involvement in terms of the Middle East, and I believe it important that we continue to be involved. Our problem is to



Donald McHenry

ensure that our involvement is sufficiently broad-enough based that we are not dismissed as an interlocutor by the parties concerned. To the extent that, we become openly identified with any force in the area, then we lose, I believe, our ability to be a force for peace in the area.

Q — When you are talking about peace in the area, of course you are taking into consideration, as you said, the Palestinians and the PLO, why do you think the U.S. won't talk directly and deal with the PLO, if they want to talk with the parties involved?

A — It's a chicken-and-egg situation, isn't it? We have taken the position consistently that we have no objection — we the United States, I'm not talking about Israel — we the United States, have no objection to dealing with the PLO, provided it accepts (U.N. Security Council resolution) 242 and the existence of Israel. I don't think that's a particularly difficult burden to overcome.

At the same time, the PLO has made it very

clear that it is not willing to make that concession until it is absolutely sure that its objectives are being recognized in the area. And to get yourself into a question of what comes first — the PLO is not willing to make any political concessions until it gets the maximum political concession from Israel, and Israel is not willing to make any political concession until it gets out from the PLO.

I think one of the problems which we ought to get out of the way — not only on Israel but probably on any number of other areas of the world — is this question of what are the implications for dealing with us? And we need to come to the point where we conclude that there are no legal implications — we give legality to it only if we decide to do so — and it's possible to deal with insurgent movements or other movements in the world without conferring upon them any particular status.

Q — How do you explain that the U.S. has dealt several times directly with the PLO, concerning Americans who were in Lebanon during the civil war and also during the Iranian hostage crisis. Why can the U.S. deal directly with the PLO on these matters and not on their own problem?

A — Well, it's politics, isn't it? In those instances, American lives were at stake. The attainment of our objective was dependent upon, or influenced by, what the PLO could do. Certainly the safety and security of our people in Lebanon was very much influenced by the attitude of the PLO. We know that.

Q — The other day you also said American officials have to realize that there is another side to the coin regarding the Middle East. Could you elaborate?

A — Well, I gave speech on this point at the Appeal to Conscience Foundation, roughly a year or so ago. And there I indicated my own philosophy of problem-solving. I said, simply, that the first point in solving a problem is to make sure you know the views of the other side. You may not agree with them, but it is important to know the views of the other side. I think it is unfortunately true that many American citizens have a sort of knee-jerk reaction to the situation in the Middle East. They don't know enough about it. They get their information from a narrow range of sources, and then, of course, some Americans are tied to one side or another by emotional and religious ties, which it is very difficult to overcome.

I believe it is important that Americans

know as fully as possible what (Israeli) settlements are about, or what the (West Bank) mayors are about, or what's going on in southern Lebanon. Only by that way are they able to influence our own policy makers.

Q — Last spring, when the U.S. voted in the U.N. on the settlements and Jerusalem, President Carter denied the vote, and it was said that you almost resigned your post as ambassador. Is that correct, and what was the story behind the vote?

A — Well, the president didn't deny vote. The president said that had he known about the consideration of Jerusalem, that he would have instructed us to abstain. He did not even take a position with regard to Jerusalem itself. His feeling was that the resolution should not have included Jerusalem one way or the other.

This was a very difficult time for us, here at the United Nations, as the result of a great deal of debate among Americans as to what we should or should not have done in that situation.

There was no question of my resigning in those circumstances. I felt then, and I still feel now, that my own actions were consistent with the policy of the U.S. government and consistent with how I ought to comport myself in this position. I did not say at the time that this series of events did not make my task any easier. It made it more difficult. And I stick by that.

Q — What advice do you have for your successor, Ambassador-Designate Jeanne Kirkpatrick, with regard to the Middle East?

A — Well, I've already informed her of the difficulties in handling this question, and informed her that, of all the questions that I dealt with, this was the greatest headache.

Beyond that, I have no sought to give her any specific, substantive advice. What I have sought to do was to describe the process. That process involved sufficiently broad contact. I guess it first involves an open, sufficiently broad contact, and decisions in a climate which is not subject to very broad shifts in emotionalism.

I think that if she follows those general prescriptions, she'll have an easier time. On the other hand, if you come here with preconceived ideas, talking at people instead of to and with people, you assure your own failure.

Translated from *Astray Al Awsat*.

U.S. moves to bolster El Salvador government

SAN JOSE, Jan. 20 (AP) — The opposition in El Salvador has failed in its efforts to cause an "irreversible" situation in the country before the beginning of the Reagan presidency, according to central American observers.

Guerillas launched their "general offensive" against the Salvadorian Junta 10 days ago but have so far failed to make any major headway in clashes with regular army troops. In addition, the leftist opposition group within the Revolutionary Democratic Front (RDR) has not obtained sufficient mass support to enable it to overthrow the regime.

Over this 10-day period the mixed civilian and military junta has ooted with satisfaction one of the last decisions taken by President Jimmy Carter in the White House — Washington announced Monday that it will give urgent aid of \$5 million to El Salvador, bringing its total aid so far to \$10 million, in the form of arms and military advisers, to bolster the junta's power.

After 10 days of fighting, reports from El Salvador indicate that the guerrillas have had to withdraw from those places they occupied at the start of their all-out onslaught.

The guerrillas term their retreat a strategic one so that they can secretly reorganize their units before launching the "Final offensive." Meanwhile, the junta announced Monday that the country was calm and "the army is in complete control of the situation." Defense Minister Colonel Guillermo Garcia said that the 10-day fighting had caused more than 1,200 deaths, including 980 guerrillas and 142 soldiers.

But he did not give the number of casualties suffered by the civilian population, which has reportedly been badly hit, according to reliable sources. The same sources pointed out that guerrillas still control vast areas in the rural areas where its propaganda seems to have succeeded better than it has done in the towns.

Good Morning

By Jihad Khanza

Arabs living in the West like us see around them much to condemn and much to praise. Things are differently ordered here. Sometime, we feel, for the better, sometime for the worse. But there is something I personally always wondered about. Will we, in our lifetime see something to the democratic process here prevailing normally? Or are we, especially those who had a shattering of it in times gone by, to see our days out with things going on much the same as they have been since the catastrophic fifties and their coups and revolutions?

All this to introduce not politics but journalism here in the West. We all know of our journalism and its troubles. But here there are currently debates about the rules and properties of journalistic work which left me speechless with any, not least for the high level of the contributions and their self-assurance and seriousness.

One of the main points of the debate has been extent to which journalists are to keep their sources secret. The kernel of the affair was a court injunction to a certain newspaper to reveal its sources for a story it printed.

Someone had tipped the paper off regarding a certain industrial malpractice, and had supplied it with documents, illegally obtained as it turned out, to substantiate the story. The newspaper refused to comply with the court order, hence the debate.

The upshot of the argument was in the end that the practice of shielding your sources should not be extended to cover up actual crimes. But that for me was not the point.

The point for me was how happy must this land be when journalists have such choices, when it is they who can decide whether to go to the police with their information or sit tight and plead journalistic privilege. In lands I could mention it is the poor journalist who has to assume anonymity and plead with those sources: Please don't mention that it was me you told this story to.

Translated from *Astray Al Awsat*.

For five days Solidarity holds talks to reach common stand

WARSAW, Jan. 20 (AP) — Leaders of the independent labor movement Solidarity met in Gdansk Tuesday to hammer out a unified position on the five-day workweek for subsequent negotiations with the government.

The session of the Solidarity union's national coordinating commission came in the wake of a surprise four-hour meeting here Monday night between Premier Jozef Pankowski and several commission members led by Lech Walesa.

Polish newspapers Tuesday backed the government's claim that Poland's plagued economy cannot accommodate a five-day, 40-hour week. Walesa and other moderates in his group favor a compromise, while some Solidarity chapters are maintaining a more militant stance.

According to an official announcement, Pankowski and the union leaders discussed Gold prices mixed

LONDON, Jan. 20 (AP) — The dollar gyrated in busy European trading Tuesday as dealers wondered whether unfrozen Iranian assets would return to the market. Gold prices were mixed, although dealers said the U.S. hostage drama was having little impact on trading.

London's five bullion houses fixed the morning gold price at \$563.50 a troy ounce, down from 566.25 late Monday, while in Zurich the metal traded at a median \$566.50 an ounce, up \$2.

In Hong Kong, gold closed at \$566.28 up \$5.80. The metal finished at \$563 in New York late Monday.

Silver was quoted in London at \$15.13 an ounce, down from \$15.48. The British pound was worth \$2.4123 (2.4085).

In Tokyo, the dollar closed at 201.55 yen from 202.80 Monday. In later European trading, the dollar was quoted at 201.58 yen. A bullion trader at Uhaaps Pixley and Co. in London said the unfreezing of Iranian gold had been accounted by the market long ago. But asked what will happen if the hostages are finally released, he added: "I suspect metals will go lower."

the implementation of the Gdansk accords that ended this summer's wave of strikes. Some key commitments made in the agreement have yet to be honored by the government.

Polish newspapers gave front page treatment to the meeting between Walesa and the government held at the prime minister's initiative hours after Walesa returned from a six-day visit to Italy. Pankowski was believed to have also restated government criticism of a recent spate of warning strikes and other labor protests over the Saturday working issue.

Glas Pracy, the newspaper of the former trade union council, appeared to criticize the government for prematurely consenting to the shortened workweek in the agreements.

It said the government's pledge to provide Saturdays off by the end of 1980 "did not create possibilities for excessive debates." The paper also censured both sides for failing to further debate the issue in the three months since the strikes ended.

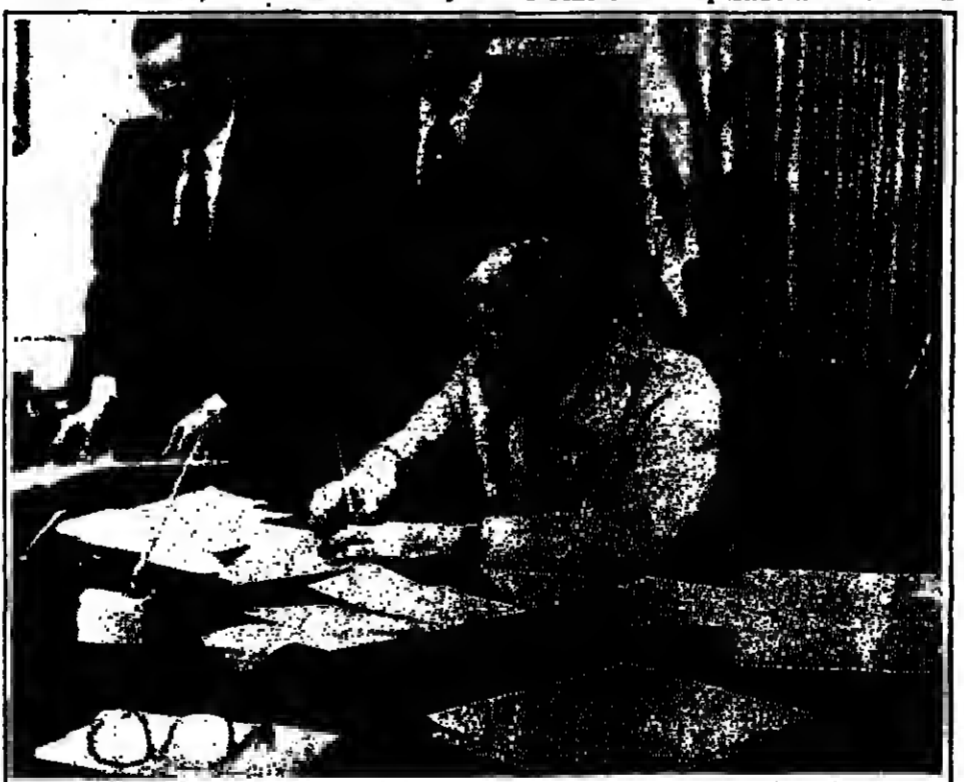
The Warsaw daily *Zycie Warszawy* said, "the overwhelming majority of society as well as a majority of the Solidarity members is of the opinion roughly corresponding to the government's stand that we cannot afford free Saturdays and are not ready yet to carry out such a radical operation."

It said, "at present Solidarity has to do not with one but with two partners — the authorities on the one hand and the man in the street on the other — people tired and displeased with the inconvenience of everyday life, impatiently longing for a bit of calm and relative order."

Regional branches of the Solidarity have issued strike warnings in Gdansk, Bydgoszcz and Poznan for Thursday and in Grudziadz for Friday unless the government provided legal guarantees ending work on Saturdays.

The unions are protesting against government's intention to dock a day's pay from workers who stayed home on Jan. 10 which the government had designated a working Saturday.

Last week, transport workers brought trams and buses to a halt for four hours in Poland's capital over the Saturday work issue and warning strikes were reported in industrial plants in several parts of the country.



SIGNING DOCUMENTS: President Carter, seated at his desk at three o'clock Monday in the Oval office at the White House, signs the documents for the release of the hostages.

From page one

Guigan said he would recommend that economic sanctions against Iran be removed relatively quickly. He said this would require special legislation.

Canada imposed sanctions on Iran, closed its Iranian embassy and evacuated all staff, together with six U.S. diplomats, after the hostages were seized in Nov. 1979.

At Rhein-Main U.S. Air Base, West Germany, U.S. air force crews spray-painted "welcome back to freedom" on a hangar door at this base bedecked with yellow ribbons while soldiers guarded a nearby hospital where the 52 Americans were to begin a return to normal life after 14½ months of captivity in Iran.

Hospital workers were tying yellow ribbons, symbols of hopeful waiting for the hostages' deliverance, to trees, balconies and railings of the air force medical facility in Wiesbaden, about 15 miles (24 km) west of Rhein-Main.

Four wives of air force pilots adorned this base's flora and buildings with the same decoration. "I understand they're doing this all over America, and we thought we would try to do what we could," said Mrs. Marge Wade, who organized the project.

Security was increased at the hospital,

where the Americans were expected to spend five to seven days in relative isolation before returning to the United States. They would be examined by physicians and psychiatrists and given advice on how to handle a variety of possible problems, including psychological trauma and sudden exposure to publicity.

In Cairo, President Anwar Sadat who has criticized what he described as U.S. "swinging, contradictory and wavering" in dealing with Iran over the hostages, was quoted Tuesday as blessing the American-Iran agreement on their release.

"Thank God," Sadat was quoted by the semi-official newspaper *Al-Akram* as saying upon hearing news reports on the agreement. Sadat has repeatedly urged Washington to take military action against Iran and provided military facilities for American troops who tried unsuccessfully to free the hostages last May.

His two-word comment was enhanced by a statement from his foreign minister, Kamal Hassan Ali, expressing hope that the agreement would ease tension in the Middle East. "We hope it (the agreement) would have its positive reflection on the American-Iranian relations in particular and on the area in general," Ali said in a statement carried by the Middle East News Agency.

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